

Policy and Planning Committee

Tuesday 19 November 2019

10.30am

Taranaki Regional Council, Stratford



Agenda for the meeting of the Policy and Planning Committee to be held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 19 November 2019 commencing at 10.30am.

Members	Councillor C L Littlewood	(Committee Chairperson)
	Councillor N W Walker	(Committee Deputy Chairperson)
	Councillor M J McDonald	
	Councillor D H McIntyre	
	Councillor C S Williamson	
	Councillor E D Van Der Leden	
	Councillor D N MacLeod	(ex officio)
	Councillor M P Joyce	(ex officio)

Representative Members Representative members not yet appointed.

Apologies Councillor M G Davey

Notification of Late Items

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		PCE report on New Zealand Environmental reporting System
		Closing Karakia and Karakia for kai

Purpose of Policy and Planning Committee meeting

This committee attends to all matters of policy developed either in-house or by third parties.

Responsibilities

Prepare and review regional policy statements, plans and strategies and convene as a Hearing Committee as and when required for the hearing of submissions.

Monitor plan and policy implementation.

Develop biosecurity policy.

Advocate, as appropriate, for the Taranaki region.

Other policy initiatives.

Endorse submissions prepared in response to the policy initiatives of organisations.

Membership of Consents and Regulatory Committee

Councillor C L Littlewood (Chairperson) Councillor N W Walker (Deputy Chairperson)

Councillor M G Davey Councillor M J McDonald

Councillor D H McIntyre Councillor C S Williamson

Councillor E D Van Der Leden Councillor D N MacLeod (ex officio)

Councillor M P Joyce (ex officio)

Health and Safety Message

Emergency Procedure

In the event of an emergency, please exit through the emergency door in the committee room by the kitchen.

If you require assistance to exit please see a staff member.

Once you reach the bottom of the stairs make your way to the assembly point at the birdcage. Staff will guide you to an alternative route if necessary.

Earthquake

If there is an earthquake - drop, cover and hold where possible.

Please remain where you are until further instruction is given.

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Minutes Policy and Planning Committee
meeting – Tuesday 3 September**

Approved by: A D McLay, Director-Resource Management
B G Chamberlain, Chief Executive

Document: 2366011

Resolve

That the Policy and Planning Committee of the Taranaki Regional Council:

- a) receives the minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 3 September 2019, at 10.30am
- b) notes that the minutes of the Policy and Planning Committee Meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 3 September 2019, at 10.30am were authenticated by the Committee Chairperson, N W Walker, and the Taranaki Regional Council Chief Executive, B G Chamberlain, pursuant to Model Standing Orders.

Appendices

Document #2321668: Minutes Policy and Planning Committee Tuesday 3 September 2019

Minutes of the Policy and Planning Committee Meeting of the Taranaki Regional Council, held in the Taranaki Regional Council Chambers, 47 Cloten Road, Stratford, on Tuesday 3 September 2019 at 10.50am.



Members	Councillors	N W Walker	(Committee Chairperson)	
		M P Joyce		
		C L Littlewood		
		B K Raine		
		C S Williamson		
		D L Lean	(ex officio)	
		D McIntyre		
		D MacLeod	(ex officio)	
Representative Members	Councillors	G Boyde	(Stratford District Council)	
		P Nixon	(South Taranaki District Council)	
		R Jordan	(New Plymouth District Council)	
	Messrs	M Ritai	(Iwi Representative)	
		P Muir	(Federated Farmers Representative)	
	Ms	E Bailey	(Iwi Representative)	
Attending	Messrs	B G Chamberlain	(Chief Executive)	
		G K Bedford	(Director-Environment Quality)	
		M J Neild	(Director - Corporate Services)	
		A D McLay	(Director - Resource Management)	
		C L Spurdle	(Planning Manager)	
		G Marcroft	(Policy Analyst)	
		G Severinsen	(Manager Policy & Strategy)	
		H Gerrard	(Science Manager)	
		B Pope	(Compliance Manager) <i>Part meeting</i>	
		R Phipps	(Science Manager)	
		J Kitto	(Science Adviser)	
		P Ledingham	(Communications Adviser)	
		R Ritchie	(Communications Manager)	
		Ms	L Davidson	(Committee Administrator)
		Mrs	J Bielski	(Policy Analyst) (left meeting 10.45am)
Mr	J Clough	(Wrightson Consulting)		

Two members of the media, Taranaki Daily News and Radio New Zealand and eight members of the public were in attendance.

Mr R Martin, Radio New Zealand recorded the meeting.

Apologies No apologies were received.

Notification of

Late Items

There were no late items of business.

1. Confirmation of Minutes – Tuesday 23 July 2019

Resolved

THAT the Policy and Planning Committee of the Taranaki Regional Council

- a) takes as read and confirms the minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 23 July 2019 at 10.30am
- b) notes that the recommendations therein were adopted by the Taranaki Regional Council on 13 August 2019.

Raine/Bailey

Matters Arising

There were no matters arising.

2. Government announcements on three waters review

- 2.1 Mr G Severinsen, Manager Policy and Strategy, spoke to the memorandum to update Members on recent announcements by the Government on the Three Waters Review and answered a number of questions arising.

Recommended

That the Taranaki Regional Council:

- a) receives the memorandum ‘Government announcements on three waters review’.

Boyde/Littlewood

3. PEPANZ publication; Powering to 2050: A vision for natural gas in New Zealand

- 3.1 Mr A D McLay, Director - Resource Management, spoke to the memorandum to introduce a publication by the Petroleum Exploration and Production Association of New Zealand (PEPANZ) entitled ‘Powering to 2050: A vision for natural gas in New Zealand’.

Recommended

That the Taranaki Regional Council:

- a) receives the memorandum ‘PEPANZ publication: Powering to 2050: A vision for natural gas in New Zealand’; and
- b) notes the Taranaki region’s natural gas resources have a role in the transition to a low emissions economy.

Littlewood/Williamson

Following discussions Ms E Bailey put a motion to the Committee that recommendation (b) be removed or modified.

Bailey/Ritai

Motion lost.

4. Update on climate change policy announcements

- 4.1 Mr G Severinsen, Manager Policy and Strategy, spoke to the memorandum to update Members on recent climate change policy announcements by the Government.

Recommended

That the Taranaki Regional Council:

- a) receives the memorandum 'Update on climate change policy announcements'.
MacLeod/Nixon

5. Regional freshwater recreational bathing water quality report for 2018-2019

- 5.1 Mr G Bedford, Director – Environment Quality, spoke to the memorandum to update the Committee on the 2018-2019 bathing season results from the 'state of the environment' programme that monitors freshwater contact recreational water quality.
- 5.2 A minor correction was made to Technical Report 2019-01 recommendations concerning a date.
- 5.3 In response to questions from Ms Bailey it was noted the report presents the results of sampling during low flow periods, when people may be bathing and at weekly intervals, no matter what the flow conditions.

Recommended

That the Taranaki Regional Council:

- a) receives the memorandum noting the preparation of the report Freshwater Contact Recreational Water Quality at selected Taranaki sites SEM Monitoring Report 2018-2019, Technical Report 2019-01; and
- b) adopts the specific recommendations presented in Technical Report 2019-01.

Joyce/Boyde

6. Bathing beach recreational water quality SEM report 2018-2019

- 6.1 Mr G Bedford, Director – Environment Quality, spoke to the memorandum presenting Members the report on the quality of coastal bathing waters in the Taranaki region during the 2018-2019 bathing season.

Recommended

That the Taranaki Regional Council:

- a) receives the memorandum noting the preparation of the report Bathing Beach Water Quality State of the Environment Monitoring Report Summer 2018-2019 Technical Report 2019-36; and
- b) adopts the specific recommendations presented in Technical Report 2019-36.

Raine/Littlewood

7. Submission on protecting Hector's and Māui dolphins

- 7.1 Mr C Spurdle, Planning Manager, spoke to the memorandum to introduce the submission on the discussion paper Proposals for the Hector's and Māui Dolphin Threat Management Plan and to recommend its endorsement by the Council.
- 7.2 It was noted the deadline for submissions was 19 August 2019. The submission reflects Council policies and a previous submission on threats to Hector's and Māui dolphins.
- 7.3 Feedback from the Committee to the Department of Conservation will be provided noting that there should be an increase in consultation with Iwi throughout the process.

Recommended

That the Taranaki Regional Council:

- a) receives the memorandum Submission on protecting Hector's and Māui dolphins; and
- b) endorses the submission with any changes recommended by the Committee.

Williamson/Boyde

8. Coastal Occupation Charges

- 8.1 Mr C Spurdle, Planning Manager, spoke to the memorandum to seek Members' agreement that the Taranaki Regional Council (the Council) not charge for the occupation of coastal space in the coastal marine area (CMA).
- 8.2 Councillor C Littlewood and Councillor D N MacLeod declared an interest in relation to Port Taranaki.
- 8.3 The item was discussed in the context of some examples provided by Ms Bailey and Mr Ritai regarding private and public benefit.

Recommended

That the Taranaki Regional Council:

- a) receives this memorandum entitled Coastal Occupation Charges;
- b) notes that in Taranaki there is a low number of occupation consents in the CMA, the extent to impact on public access is only minor, and consent conditions have generally been applied allowing free public access except where it is a matter of public safety; and
- c) agrees that the Council forego charging for occupation of coastal space in the CMA.

Joyce/Boyde

9. Approval of Proposed Coastal Plan for Taranaki

- 9.1 Mr C Spurdle, Planning Manager and Ms G Marcroft, Policy Analyst, presented a power point presentation on the Proposed Coastal Plan for Members' consideration. For consideration were the Hearing Panel's report and recommendations and the Section 32AA report on the Proposed Coastal Plan for Taranaki.
- 9.2 The high level of public engagement and iwi consultation on the plan was noted together with the officers' extensive prehearing engagement with submitters to resolve matters.
- 9.3 Chairperson N W Walker thanked the Hearing Panel members and Council officers for all the positive work that had been undertaken on the Coastal Plan for Taranaki.

Recommended

That the Taranaki Regional Council:

- a) receives this memorandum, the Hearing Panel's report, the track change version showing recommended changes to the Proposed Coastal Plan, and the Section 32AA Report;
- b) considers the Section 32AA Evaluation Report and confirms that the Council is satisfied that any changes to the policies, rules and methods set out in the Proposed Plan are the most appropriate way to achieve the objectives of the Plan;
- c) adopts the recommendations set out in the Hearing Panel's report in relation to changes to the Proposed Coastal Plan; and
- d) notes that following the Council, at its meeting on 1 October, making its decisions on the Proposed Coastal Plan, a decisions document will be made available to all submitters and submitters have 30 working days from service of the Council's decisions to appeal to the Environment Court against the Council's decisions should they wish.

Littlewood/Bailey

10. Discussion document: Proposed National Policy Statement on Highly Productive Land

10.1 Mr G Severinsen, Manager Policy and Strategy, spoke to the memorandum to introduce a discussion document on a proposed National Policy Statement on Highly Productive Land and to recommend that the Council makes a submission on the discussion document.

Recommended

That the Taranaki Regional Council:

- a) receives the memorandum 'Discussion document: Proposed National Policy Statement on Highly Productive Land'; and
- b) agrees to make a submission on the document including matters agreed by the Committee.

Williamson/Littlewood

11. General Business

11.1 Chairperson, Councillor N W Walker thanked all members and Iwi representatives for their contributions to the Policy and Planning committee meetings over the last three years and wished Councillors seeking re-election all the best.

11.2 Iwi representative Mr M Ritai thanked Taranaki Regional Councillors and Officers for the opportunity to represent Iwi at Council meetings and allowing robust discussions to occur and learnings to be had.

Closing Karakia Mr M Ritai (Iwi Representative) gave the closing Karakia to the Policy and Planning Committee and Karakia for kai (lunch).

There being no further business, the Committee Chairperson, Councillor N W Walker, declared the meeting of the Policy and Planning Committee meeting closed at 12.48pm.

Minutes authenticated pursuant to Model Standing Orders

Policy and Planning

Chairperson: _____
N W Walker

Taranaki Regional Council

Chief Executive: _____
B G Chamberlain

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Submission on Proposed Priority
Products and Priority Product
Stewardship Scheme Guidelines**

Approved by: G K Bedford, Director-Environment Quality
BG Chamberlain, Chief Executive

Document: 2343585

Purpose

1. The purpose of this memorandum is to introduce a submission that has been made to the Ministry for the Environment on a consultation document, *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines* and to recommend its endorsement by the Council.
2. The submission was undertaken online and submitted to the Ministry for the Environment by the deadline date of 4 October 2019, after circulation of a draft amongst councillors.
3. A copy of the finalised submission is attached to this memorandum for Members' information, along with the discussion document entitled *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines*.

Executive summary

4. On 9 August 2019 the Associate Minister for the Environment (MfE), Hon. Eugenie Sage, released a consultation document, *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines*. In this document MfE proposed the imposition of product stewardship regulations under the Waste Minimisation Act 2008 (WMA).
5. This Council collaborates with the three Taranaki district councils on waste-related matters through the Taranaki Solid Waste Management Committee (TSWMC).
6. In a previous submission (July 2014) on priority products, TRC agreed with and supported the information put forward in the joint submission by the District Councils. That submission, from the TSWMC, was supportive of all the proposed product stewardship categories, suggesting that used motor oil also be included as a priority product. It is now noted that waste oil is partially managed through the national R.O.S.E voluntary scheme. The TSWMC encouraged a shift of responsibility back from local government to industry using the regulated product stewardship mechanism available through the WMA.

7. Noting that the TSWMC's present submission is also in support of all products being classified as priority products, TRC remain supportive of the District Councils on these matters and has extended our support to the new product – Packaging.
8. The separate submission by the TSWMC included further detail relevant to the functions of the District Councils in regards to waste minimisation and management. It will be presented at the next TSWMC meeting.
9. The submission included with this agenda supports Government proposals set out in the consultation paper. This TRC submission has focussed on factors specifically relevant to TRC's regulatory responsibilities and operations. The submission raised points related to the declaration on priority products. The submission points include:
 - Support for the six proposed priority product groups.
 - Minor feedback on the ministerial guidelines.

Recommendations

THAT the Taranaki Regional Council:

- a) receives and notes the submission sent to the Ministry for the Environment on the *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines* by the due date of 4 October 2019; and
- b) endorses the submission on the *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines*.

Background

10. A discussion document was circulated by MfE in 2014. It was entitled *Priority waste products for product stewardship intervention: A discussion document* with submissions required by 2 July 2014. The Ministry was seeking comment on whether Central Government should intervene to improve the management of four product waste streams - electrical and electronic equipment (e-waste); tyres; agrichemicals and farm plastics; and refrigerants and other synthetic greenhouse gases.
11. The TSWMC discussed and submitted to MfE on the matter of identifying priority products (as defined in the WMA) for consideration for controls upon recovery and disposal options (see agenda item of 28 August 2014). The TSWMC's submission asked for all four waste groups to be declared priority products, and for this to be done as soon as possible so that industry can start preparing. It also suggested that used motor oil be included, given the positive assessment against four of the five criteria used in the discussion document.
12. MfE provided a response to this, which was included as an agenda item to the TSWMC on 28 May 2015. In short, it identified that the Ministry considered further evidence-based research was required and that the Ministry's priority focus was on resource management reforms and other areas at the time. The Ministry identified a number of projects involving voluntary product stewardship initiatives that were underway.
13. On 9 August 2019 the Associate Minister for the Environment, Hon. Eugenie Sage, released a consultation document, *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines*. In this document MfE acknowledged the significant work done or underway by industry and local government towards reaching a circular economy, but acknowledged that these efforts had only resulted in a minority of waste

being diverted from landfill and that more decisive action is now required including the imposition of product stewardship regulations under the WMA.

14. A draft submission was circulated to members of this Committee for comment between 17 September and 27 September 2019. No feedback on this draft submission was received. The submission was submitted electronically on 1 October 2019.
15. Set out below is an overview of the key elements of the proposed guidelines and the Council's submission on the discussion paper.

Proposed Priority Products and Priority Product Stewardship Scheme Guidelines

16. The document proposes a co-design approach (between MfE and stakeholders) by which regulated product stewardship schemes will be developed and implemented.
17. The consultation document has identified six product groups to be declared priority products, these being tyres; electrical and electronic products (including all batteries); agrichemicals and their containers; refrigerants and other synthetic greenhouse gases; farm plastics (including silage and baleage wrap); and packaging (beverage and single-use).
18. The Government has proposed a two-stage process:
 - Stage one consults on the proposed declaration of six priority products and ministerial guidelines to clarify expected outcomes and attributes of accredited priority product schemes.
 - Stage two will consult progressively by product group through 2019-21 on proposed WMA regulations.

The submission

19. The *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines* was released for public consultation on 9 August 2019, with submissions closing 4 October. The Council made a comprehensive submission in response to this deadline date on 1 October 2019.
20. The attached submission supports Government proposals set out in the consultation paper. The TRC submission has focussed on factors specifically relevant to TRC's regulatory responsibilities and operations. The main submission points raised related to the declaration on priority products. The submission points include:
 - Support for the proposed inclusion of (all) end-of-life tyres as a priority product. TRC recognises the significant environmental risks that emerge through the storage and inappropriate disposal of used tyres.
 - Support for the proposed inclusion of waste electrical and electronic products as priority products. While TRC supported this with consideration of the activities of the District Councils and Regional Waste Minimisation Officer, TRC also recognised that this category (electrical and electronic products) has a direct impact on how the Council operates in terms of the equipment that we utilise in our day-to-day work. It was also noted that electronics frequently contain contaminants that pose a significant risk if discharged to the environment.

Therefore landfilling electric and electronic products is not our preferred option for disposal of these.

- Support for the proposed inclusion of chemicals in plastic containers. TRC noted our ongoing support for initiatives such as the AgRecovery programme and that TRC receives frequent enquiries regarding disposal of these chemicals. It was further noted that TRC operations and laboratory have limited access to disposal options for waste chemicals and their containers that are used in our day-to-day operations.
- Support for the proposed inclusion of gases used for heating, cooling and air conditioning that are ozone depleting or synthetic greenhouse gases and products containing these gases. TRC noted its support of practicable initiatives that will enable New Zealand to make further progress on its obligations under the Paris Agreement and the Kigali Amendment to the Montreal Protocol.
- Support for the proposed inclusion of single use packaging. The challenges around appropriate disposal of packaging, faced by the District Councils was noted and it was recognised through TRC's involvement with the TSWMC, that these issues remain unresolved despite significant effort to address them.
- Support for the proposed inclusion of farm plastic packaging and wrapping. Our involvement with the Taranaki farming community was noted, as were the challenges faced by this community in regards to the disposal of farm plastics.
- Agrees and supports the consideration and incorporation of legacy/'orphan' wastes.
- Emphasised our position that the burden (costs) associated with these schemes must not fall back on local government, if central government is imposing compulsory controls.
- Requests that tangata whenua involvement is included in the co-design process.
- Suggests that the scheme design process is enhanced to improve likelihood of adoption and success.

Decision-making considerations

21. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the Act.

Financial considerations—LTP/Annual Plan

22. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

23. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002* and the *Resource Management Act 1991*.

Iwi considerations

24. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

25. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Document 2314259: *Proposed Priority Products and Priority Product Stewardship Scheme Guidelines*

Document 2343000: *Submission on Proposed Priority Products and Priority Product Stewardship Scheme Guidelines*



Proposed priority products and priority product stewardship scheme guidelines

Consultation Document
2019

This document may be cited as: Ministry for the Environment. 2019. *Proposed priority products and priority product stewardship scheme guidelines: Consultation document*. Wellington: Ministry for the Environment.

Cover photo credits:

Agrecovery Foundation: agrichemicals (legacy chemicals to be collected for safe disposal)
Environment Canterbury: farm plastic (silage wrap being collected for recycling)
Ministry for the Environment: e-waste (circuit boards separated for recycling), plastic packaging (PET bottles collected and baled for recycling) and tyres
NZ Recovery (refrigerants in containers being collected for safe treatment)

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Message from the Associate Minister for the Environment



The Government wants to reduce the risk of harm from waste and increase economic and social benefits from more circular use of resources. We want to reverse the current trend of ever-increasing waste to landfill and aspire to reductions in multiple waste classes by 2020.

This is part of a longer-term goal of moving to a low-emissions, sustainable and inclusive economy for New Zealand.

Over the first 10 years of the Waste Minimisation Act 2008 (WMA), we have seen exemplary efforts by industry and community leaders to minimise waste within a completely voluntary framework. Local councils have used their half share of the waste disposal levy to actively support local waste diversion, and some businesses have used accredited product stewardship schemes to divert their end-of-life products from waste or harm. Good results have been achieved, and I commend all who have worked to make improvements.

On balance, however, this has diverted only a minority of waste from landfill and we are still losing the war on waste. This is a particular problem where the waste products, such as agrichemicals, refrigerants, tyres, electrical and electronic products (e-waste) and plastics, risk harming the community and the environment. Business and community voices are telling us it is time for more decisive action.

Regulated product stewardship is one of the tools available under the WMA to help design waste out of our economy. New Zealand has not yet used this tool, but we now intend to explore it in partnership with stakeholders. It is important that whatever we create not only benefits from the best overseas experience but is designed to suit New Zealand's situation and needs.

Development of co-designed and regulated product stewardship schemes must go hand-in-hand with improved onshore recycling infrastructure, an expanded waste disposal levy, improved waste data, improved controls on the burning of farm waste, and proactive government procurement. These supportive measures are all being discussed with stakeholders.

This consultation (stage one) sets the framework for the co-design of regulated product stewardship schemes. The proposed framework has two parts. The first declares the priority products being targeted (tyres, agrichemicals, refrigerants, e-waste, farm plastics and packaging). The second sets common guidelines for schemes dealing with those products.

Future consultation (stage two) will outline details of the schemes co-designed with stakeholders. It will also cover any potential regulations to 'level the playing field' and provide appropriate waste reduction incentives, on a priority product-by-product basis.

I encourage you to let us know your views on these proposals.

A handwritten signature in black ink that reads "E M Sage". The signature is written in a cursive, flowing style.

Hon Eugenie Sage
Associate Minister for the Environment

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Abbreviations

BFRs	brominated flame retardants
CDS	container deposit systems
CFCs	chlorofluorocarbons
EPR	extended producer responsibility
ETS	Emissions Trading Scheme
e-waste	waste electrical and electronic equipment (also WEEE)
GWP	global warming potential
HCFCs	hydrochlorofluorocarbons
HFCs	hydrofluorocarbons
OECD	Organisation for Economic Co-operation and Development
PFCs	perfluorocarbons
POPs	persistent organic pollutants
PROs	producer responsibility organisations
SGG	synthetic greenhouse gases
TDF	tyre-derived fuel
USA	United States of America
WMA	Waste Minimisation Act 2008
WasteMINZ	Waste Management Institute of New Zealand
WEEE	waste electrical and electronic equipment (also e-waste)
WMF	Waste Minimisation Fund

Executive summary

The Government wants New Zealand to have a productive, sustainable, inclusive and low emissions economy. The aim is for a more prosperous and fairer society, and economic growth within environmental limits. Part of this process is designing waste out of the system by transitioning from a linear ‘throw-away culture’ (take–make–dispose) to a circular economy (make–use–return).

The Waste Minimisation Act 2008 (WMA) has various tools to support this. One of the strongest tools for reversing linear resource use is regulated product stewardship.

Product stewardship is when people and businesses take responsibility for the life-cycle impacts of their products, either voluntarily or in response to regulatory tools.

The Government proposes to take a co-design approach to establishing regulated product stewardship schemes for priority products.

Once something is declared a priority product under the WMA, a product stewardship scheme for the defined product must be developed and accredited as soon as practicable, and a regulatory option to require participation in such a scheme becomes available.

Regulated product stewardship under the WMA is an option for managing classes of products that can cause environmental harm on disposal. When effectively designed and implemented, such systems can shift the costs of minimising harm from products away from the wider community and environment to product designers, producers and users. This can help create market incentives for better product design, reduce environmental impacts, increase materials recovery from products at the end of their life and encourage waste minimisation and resource efficiency.

Regulated product stewardship schemes are used extensively in other jurisdictions to reduce waste. For New Zealand, any such schemes would need to be designed and assessed for their potential effects in local conditions.

A two-stage process is proposed:

- stage one consults on the proposed declaration of six priority products and ministerial guidelines to clarify expected outcomes and attributes of accredited priority product schemes
- stage two will consult progressively by product group through 2019–21 on proposed WMA regulations.

1 Introduction

The Government wants to reduce the risk of harm from waste and increase economic and social benefits from a more circular use of resources. This is part of a longer-term goal of moving to a sustainable, productive, inclusive and low emissions economy for New Zealand. Product stewardship is one of the tools available under the Waste Minimisation Act 2008 (WMA) to help design waste out of the economy thereby making it more efficient.

The Government is proposing a co-design approach to establishing regulated product stewardship schemes for priority products.

Consultation will involve a two-stage process for product stewardship using tools under the WMA.

- Stage one (this consultation) – ‘the framework’ and declaration by notice in the *Gazette*:
 - ‘priority product’ status for six product groups under the WMA (section 9)
 - ministerial guidelines for the contents and expected effects of product stewardship schemes for priority products under the WMA (section 12)
- Stage two (subsequent design and consultation) – ‘priority product scheme detail’:
 - work with stakeholders to design product stewardship schemes for accreditation for each priority product group
 - consider, and as appropriate consult on, regulations under the WMA that may be required to implement those schemes.

Five of the six proposed priority product groups were the subject of public consultation in 2014: tyres, electrical and electronic products; refrigerants and other synthetic greenhouse gases; agrichemicals and their containers; and farm plastics. However, ministerial priority product stewardship scheme guidelines were not proposed in 2014 and, due to the passage of time, the Government is consulting again to update this information with current views.

The sixth proposed priority product group, packaging, was proposed by submitters in 2005, 2009 and 2014 as a product group that should be included. It is now proposed as a priority product.

We welcome your views. Information on the proposals is in section 3, and information on how to make a submission is in section 4.

Submissions close at 5.00 pm on Friday 4 October 2019.

2 Product stewardship under the Waste Minimisation Act 2008

The Government wants New Zealand to have a productive, sustainable, inclusive and low emissions economy. The aim is for a more prosperous and fairer society, and economic growth within environmental limits.

Designing out waste: ‘circular economy’ approach

A ‘linear’ economy (take–make–dispose, figure 1) is the dominant system globally. Many countries, including several of New Zealand’s trading partners, are now challenging this model as unsustainable. Symptoms of market failure for the linear system include: pollution to air, water and land; climate change; release of persistent toxic substances; unsustainable rates of harvest for food and materials; and loss of species, habitats and ecosystems.

The Earth’s capacity is finite, while the human population and our aspirations for material consumption continue to grow. As a result, global consumption of raw materials and natural ecosystem services is increasing rapidly in a degrading environment. Current evidence indicates we have already stepped over several safe planetary boundaries (Steffen et al, 2015).

The ‘circular’ economy (figure 1) is an alternative model for creating prosperity. The model:

- values resources for their intrinsic worth
- respects and restores the natural cycles for biological materials (make–consume–enrich)
- creates nature-inspired cycles for redesigned human-made materials (make–use–return).
- is restorative and regenerative by design and aims to keep products, components and materials at their highest utility and value (Ellen MacArthur Foundation, 2013).

Figure 1: Comparing ‘linear’ and ‘circular’ economies



Actions to phase out aspects of a linear ‘throw-away culture’ are an essential part of a transition to a circular economy. The WMA has various tools to support this.

Bans can be appropriate for specific products that cause environmental harm when disposed of by users, especially when less harmful alternatives are available. New Zealand has taken two steps under the WMA to address the environmental harms of microplastics and marine plastics: it banned plastic microbeads in certain wash-off products (as at 7 June 2018) and single-use plastic shopping bags (as at 1 July 2019).

Regulated product stewardship under the WMA is an option for managing classes of products that can cause environmental harm on disposal, but where market incentives to design more benign alternatives are not strong. When effectively designed and implemented, such systems can shift the cost of minimising harm from products away from the wider community and environment to product designers, producers and users. This can help create market incentives for better product design to reduce environmental harm and ensure products are appropriately disposed of when they become waste.

What is product stewardship?

Product stewardship is when people and businesses take responsibility for the life-cycle impacts of their products, either voluntarily or in response to regulatory tools.

In a linear economy, the people who design and sell products generally do not pay for the disposal costs and environmental harm when their products become waste, nor in most cases do their direct customers. These costs are largely borne by the wider community and future generations.

In a circular economy, the full life-cycle cost and legal signals would directly inform product design and resource cycling. During the transition to a circular economy in New Zealand, these signals can be improved through voluntary or regulated product stewardship tools under the WMA.

The purpose of WMA product stewardship provisions is twofold:

- to encourage (or require) people and organisations involved in the life of a product to share responsibility for ensuring its effective waste minimisation
- to manage environmental harm when it becomes waste (WMA section 8).

Product stewardship scheme participants can include producers, brand owners, importers, retailers, consumers, collectors and reprocessors.

Section 5 of the WMA defines ‘producer’ as a person who:

- (a) manufactures a product and sells it in New Zealand under the person’s own brand; or
- (b) is the owner or licence holder of a trademark under which a product is sold in New Zealand; or
- (c) imports a product for sale in New Zealand; or
- (d) manufactures or imports a product for use in trade by the person or the persons.

A ‘product’ is defined as including both packaging and a class of product.

Voluntary product stewardship

Since the passage of the WMA in 2008, the Government has encouraged the development of voluntary product stewardship schemes. New Zealand now has 10 years' experience of the effectiveness of this approach. This adds to many decades of voluntary experience before the passage of the WMA.

Fourteen voluntary schemes are in operation that have been accredited under the WMA. These encourage voluntary action by producers and consumers to reduce waste and risk of harm for a range of products, for example: packaging, electrical and electronic equipment (e-waste), paint, agrichemicals, lubricating oil, refrigerants, farm plastics, carpet and concrete.

Most voluntary product stewardship schemes (whether accredited or not) experience problems with participation and product recovery rates. For example:

- schemes that set a voluntary levy or fee for responsible end-of-life waste product management discourage participation by producers and consumers, lead to low rates of collection for recycling or treatment, and often do not collect enough levies or fees to cover a full service
- non-members of a voluntary scheme with a levy can charge less for their product and have a market advantage over participating brand owners
- accredited voluntary schemes that deal with only one company's products (as do seven of the 14 accredited schemes) can have excellent results but will not influence most of that product group.

A summary of voluntary accredited schemes and their success to date is in appendix 2.

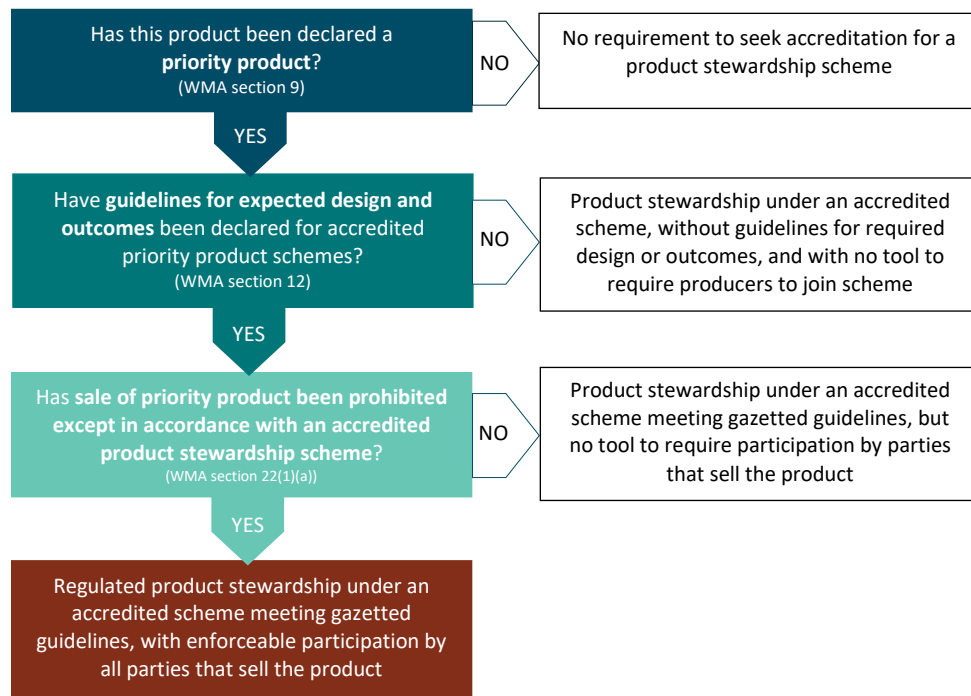
Regulated product stewardship

At present, New Zealand has no regulated product stewardship schemes. Numerous examples overseas include: e-waste, tyres, packaging, batteries, vehicles, oil, medicines, paint, agrichemicals, solvents, products with mercury and graphic paper. These schemes typically work by requiring product fees on entry to market and reallocating the funds to ensure products are recycled or safely treated (appendix 3).

To 'level the playing field', the WMA offers the option of a 'priority product' declaration (section 9) and regulation that prohibits the sale of a priority product except in accordance with an accredited product stewardship scheme (section 22(1)(a)). Without this regulation, participation in an accredited scheme is not enforceable, and the section 22(1)(a) option is only available for declared priority products. Figure 2 summarises the inter-relationship of WMA sections 9, 12 and 22(1)(a).

Other potential regulatory options under the WMA that would help to 'level the playing field' for activities include advance product management fees, deposit–return systems and labelling requirements (section 23).

Figure 2: Inter-relationship and effect of actions under Waste Minimisation Act 2008 sections 9, 12 and 22(1)(a)



Various terms are used overseas to describe regulated government approaches to product stewardship, including ‘co-regulatory’ (eg, Australia) and ‘extended producer responsibility’ (eg, Europe and North America). Definitions for ‘voluntary’, ‘regulated’ or ‘mandatory’ are not set out in the WMA.

We have chosen the terms ‘regulated’ and ‘co-design’ for this report. ‘Regulated’ relates to priority product stewardship schemes that will need one or more WMA regulations for effective operation. ‘Co-design’ refers to the development of schemes and proposals for regulations with stakeholders.

This consultation is about setting a framework for regulated product stewardship under the WMA, within which co-design of effective product stewardship schemes for priority products can proceed. The framework proposed is to identify priority products, which triggers a requirement to prepare and accredit product stewardship schemes for them, then set guidelines that such schemes would be expected to meet to be accredited.

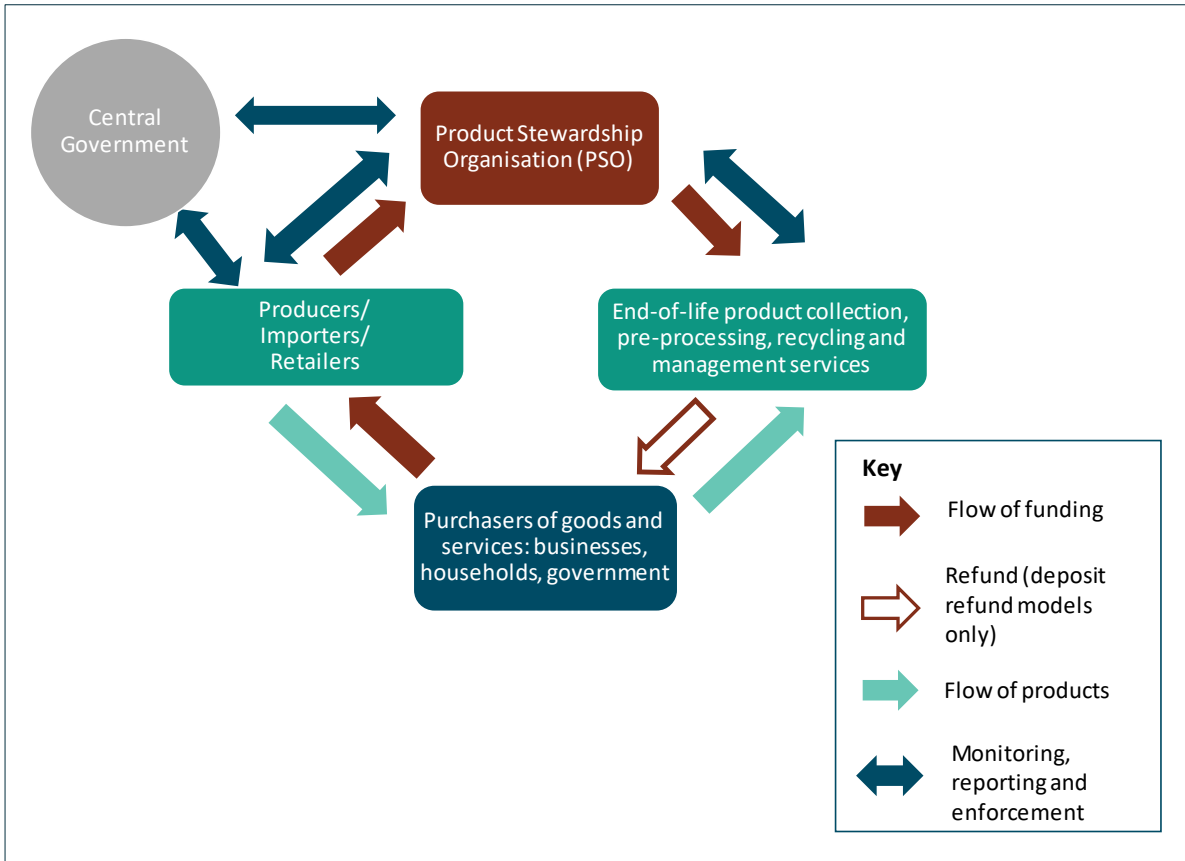
What would a regulated product stewardship scheme look like?

New Zealand has not yet used the WMA provisions to regulate product stewardship so must look to overseas models to understand how this might work in practice. Hundreds of regulated product stewardship schemes have been designed worldwide, with the most common being product take-back, advance fees, and deposit–refund (appendix 3). Figure 3 shows a high-level indicative design of how an advance disposal fee or deposit–refund system might work in New Zealand.

International experience is that regulated product stewardship schemes are typically managed by a not-for-profit entity (product stewardship organisation or PSO) that represents all

producers of that product group. The PSO manages funds, contracts for services, operates any funding and take-back system, and reports to government and stakeholders. The role of government is to accredit, monitor and enforce. Indicative relationships between the participants is shown in figure 3. The proposed Stage two would involve co-design of the detail for suitable schemes for New Zealand and consultation on any regulations necessary for effective operation.

Figure 3: Indicative regulated product stewardship scheme design



Priority product declaration

The Minister for the Environment may declare a ‘priority product’ by issuing a Gazette notice under section 9 of the WMA. Once a product is declared, a product stewardship scheme must be developed and accredited as soon as practicable (section 10).

This declaration power has not yet been exercised and is now being proposed (chapter 3).

Guidelines for priority product stewardship schemes

Sections 13 to 15 of the WMA provide requirements for an application for ministerial accreditation of a product stewardship scheme.

The WMA also provides an option for the Minister for the Environment to gazette guidelines about the contents and expected effects of product stewardship schemes for priority products (section 12). Proposed product stewardship schemes must be consistent with any such guidelines, to obtain accreditation, unless the Minister determines the scheme should

nevertheless be accredited. Section 12 may apply to one or more products, and may include, but is not limited to:

- **timeframe:** how long a scheme would last
- **targets:**
 - the expected reduction in harm to the environment from a scheme’s implementation or the expected benefits from reduction, reuse, recycling, recovery or treatment of the product
 - the time within which these are expected to occur
 - the expected waste minimisation, treatment or disposal objectives and when these would be achieved.
- **transparency:** reporting and information requirements, including information to be provided to purchasers, users and handlers of the product
- **timeliness:** when an application for accreditation of the priority product scheme is expected to be made.

This power to set priority product stewardship scheme guidelines has not yet been exercised but is now being proposed (chapter 3).

Well-designed guidelines, while not a statutory requirement, have the potential to significantly improve waste minimisation, harm reduction, resource efficiency and improve incentives for more circular product design. OECD recommendations (OECD, 2016) and others on best practise have been considered in preparing the proposed guidelines.

3 What we are proposing

The Government proposes using several tools under the WMA to increase incentives for people and businesses to take responsibility for the life-cycle impacts of their products. The aim is to reduce the harm posed by certain end-of-life products and design waste out of the system. A two-stage process is proposed (figure 4).

- stage one consults on the proposed declaration of six priority products and ministerial guidelines to clarify expected outcomes and attributes of accredited priority product schemes
- stage two will consult progressively by product group through 2019–21 on proposed WMA regulations.

Six proposed priority products have been selected as a start of the declaration of priority products. They are considered to meet the requirements under the WMA for declaring a priority product. It is proposed to declare six priority products under the WMA:

- tyres
- electrical and electronic products
- agrichemicals and their containers
- refrigerants and other synthetic greenhouse gases
- farm plastics
- packaging.

Timing

Subject to feedback on this consultation, the Government proposes completing the declaration of priority products and ministerial guidelines for accreditation of product stewardship schemes in 2019.

The intent of the proposed approach is to signal to businesses, councils and other stakeholders the Government's direction and encourage co-designed product stewardship schemes for priority product under the WMA.

The declaration of priority products triggers a requirement for a scheme to be accredited for that product. The ministerial guidelines currently proposed address timing for applications for accreditation as follows (see table 1).

Figure 4: Proposed stage one and stage two consultations for product stewardship schemes under the Waste Minimisation Act 2008 (WMA)

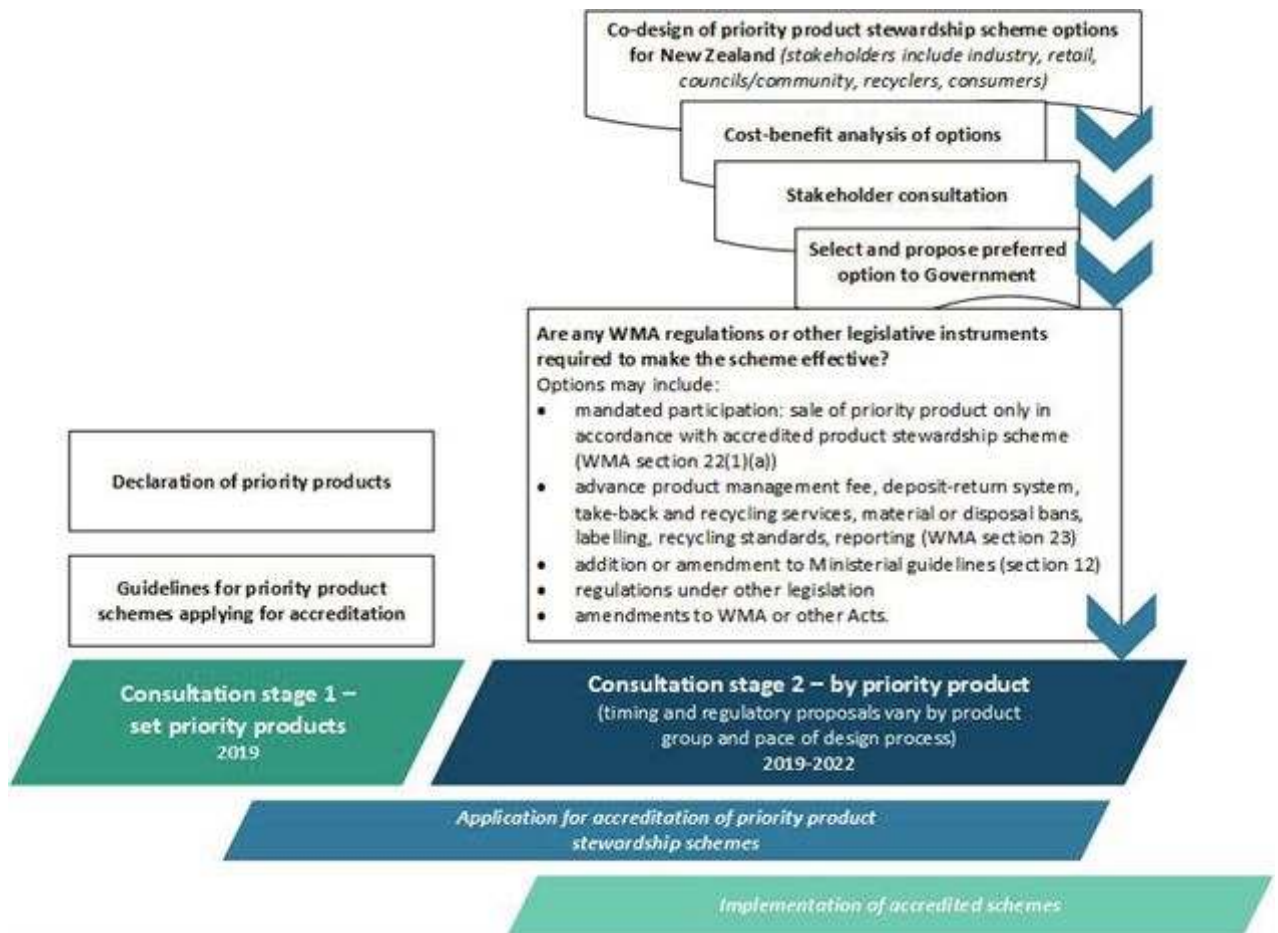


Table 1: Proposed timing for applications for priority product scheme accreditation

Stage of scheme design for the priority product	When application for accreditation (or reaccreditation) is expected
Existing accredited voluntary schemes (eg, refrigerants, agrichemicals, farm plastics)	Within one year from the date of priority product declaration
Schemes developed with a multi-stakeholder consultation process including, as a minimum, producers, local authorities, major users and existing collectors and recyclers (eg, tyres and potentially e-waste and some packaging types)	Within one year from the date of priority product declaration or the date of proposal completion, whichever comes later
No scheme in place or being developed	Within three years from the date of priority product declaration

Timing for implementation of a scheme and its roll-out to all regions will depend on the product group. Details will be expected as part of the accreditation application.

A co-design regulated approach

The Government proposes taking the following co-design approach to establishing regulated product stewardship schemes for priority products:

- setting a framework for regulated product stewardship, by declaring certain products as ‘priority products’
- issuing guidelines that product stewardship schemes applying for accreditation for priority products will be expected to meet
- working with stakeholders to design:
 - appropriate schemes for accreditation under the WMA
 - ways to ‘level the playing field’ (potentially using the WMA or other regulations)
- monitoring scheme outcomes
- making and enforcing any necessary regulations.

Producers of priority products, stakeholders involved in a product’s life cycle, and other interested parties would, as appropriate to their circumstances:

- make submissions on this consultation document
- participate in subsequent co-design processes
- participate in accredited schemes for priority products, including any requirements such as membership or advance disposal fees and provision of data.

This approach should mean the Government can act more quickly and bring in business and social enterprise experience as required. Reasons for this include that government intervention can be slow and business can be far more agile in leading innovation in areas of expertise. Unlike the Government, business can bring to the design process a deep understanding of supply chains, cost-effective logistics, product design, and stakeholder and customer expectations. For example, rather than specifying exactly how producers should get their products back from consumers and process them at end-of-life, the Government can specify broad requirements for convenient and safe product take-back and management. Producers (with their supply and retail chains) and other stakeholders can then design cost-effective methods to deliver these outcomes.

A co-design process will also benefit from including wider stakeholders. Collectors, recyclers and territorial authorities can inform practical sustainable solutions, and advocates for consumers and environmental and community health can highlight non-monetary costs and benefits. Māori must also be part of the co-design process as kaitiaki of the environment with responsibility to protect mauri and as partners with the Crown in good environmental management. This can help strengthen the ‘social licence to operate’ for producers and regulated product stewardship schemes, as well as deliver sustainable outcomes for future generations.

Co-design progress so far

Co-design has begun for some proposed priority products (eg, tyres, agrichemicals, refrigerants) and is under discussion for others. Each product group will have particular design requirements and will need to be co-designed with the relevant stakeholders. However, consistency can be

improved by declared ministerial guidelines on contents and expected effects of product stewardship schemes for priority products. Proposed guidelines are outlined later in the chapter and more detail can be found in appendix 3.

The Government will promote and monitor these processes, and facilitate an appropriate policy response. Waste Minimisation Fund (WMF) support for stakeholder processes is under way for tyres, agrichemicals and refrigerants and is an option for other priority product groups.

Proposed 'priority product' groups

The Government proposes declaring six groups as priority products (for an explanation of priority product declarations, see [chapter 2](#)). Further priority products may be declared later.

This consultation covers proposed priority product declarations for tyres, electrical and electronic products,¹ refrigerants and other synthetic greenhouse gases, agrichemicals and their containers, farm plastics and packaging. Table 2 summarises the reasons these products were selected from among the many in the market, and further details are given in appendices 1 to 3. It is considered that requiring product stewardship schemes for these products will offer significant net benefits for minimising waste and environmental harm and improve economic and employment opportunities.

Five of the six proposed priority product groups were the subject of public consultation in 2014: tyres, electrical and electronic products, refrigerants and other synthetic greenhouse gases, agrichemicals and their containers, and farm plastics. Most submissions supported declaring these groups as priority products. The Minister for the Environment at that time chose not to progress this option.

Packaging has not previously been proposed by the Government as a priority product under the WMA. Submitters on consultations in 2005, 2009 and 2014 commonly recommended that packaging be a priority product. Local authorities have advocated for increased packaging controls, including a container deposit scheme, to reduce the waste management burden on communities and improve the quality of materials, economic return and local employment opportunities. In recent years, increased understanding of the global risks of marine plastics and microplastics in the food chain and ecosystems has strongly contributed to growing community demand for better controls on plastic packaging in particular.

Local Government New Zealand remit

Local Government New Zealand provided a remit to the Government in 2016 supported by most local authorities (90 per cent) calling for a nationally mandated beverage deposit system to be implemented within two years.² This was reconfirmed in 2018 with a 96 per cent majority and also called for a declaration of priority product under the WMA for tyres, e-waste, agricultural chemicals and plastics. A further 2018 remit requesting the Government to urgently implement

¹ Called 'e-waste' or 'WEEE' (waste electrical and electronic equipment) when entering the waste stream.

² *Scoop*. 25 July 2016. Eight important issues debated at LGNZ AGM. Retrieved from www.scoop.co.nz/stories/AK1607/S00696/eight-important-issues-debated-at-lgnz-agm.htm (June 2019).

a comprehensive and mandatory product stewardship programme for tyres attracted 99 per cent sector support.³

The 2018 Local Government Waste Manifesto, issued by the Waste Management Institute of New Zealand (WasteMINZ), also called for priority product declaration for tyres, e-waste and agrichemicals, and the introduction of a container deposit scheme to reduce litter and marine pollution (WasteMINZ, no date).

Proposed scope of priority products

Waste data in New Zealand is incomplete, and the identification of priority products has been based on information currently available to the Government. Information to improve this assessment is welcome.

The Government is also seeking feedback on the possible scope for these product groups as listed below.

1. Tyres

Potential scope:

- (a) all pneumatic (air-filled) tyres and certain solid tyres for use on motorised vehicles (for cars, trucks, buses, motorcycles, all-terrain vehicles, tractors, forklifts, aircraft and off-road vehicles)
- (b) all pneumatic and solid tyres for use on bicycles (manual or motorised) and non-motorised equipment.⁴

2. Electrical and electronic products

Potential scope:

- (a) large rechargeable batteries designed for use in electric vehicles, household-scale and industrial renewable energy power systems including but not limited to lithium-ion batteries⁵
- (b) all other batteries (eg, batteries designed for use in hand-held tools and devices)
- (c) all categories of waste electrical and electronic equipment (WEEE) defined in Annex II of European Directive 2012/19/EU (eg, 'anything that requires a plug or a battery to operate').

³ Local Government New Zealand. 15 July 2018. *Local government debates key issues at annual conference*. Retrieved from www.lgnz.co.nz/news-and-media/2018-media-releases/local-government-debates-key-issues-at-annual-conference/ (June 2019).

⁴ Tyres used on bicycles (manual or electric), wheelbarrows and trolleys are not covered by the current Tyrewise proposal. These tyres involve other stakeholders and may require a separate scheme. However, the lack of current recycling infrastructure and likely end-of-life processing technologies and markets are similar.

⁵ Lead-acid batteries are not currently an issue because the market value for lead creates adequate incentive for effective, commercial post-consumer collection and recycling. However, as technologies change so may this situation, and because lead is a heavy-metal toxin of significance these batteries have not been excluded.

3. Agrichemicals and their containers (packaging)

Potential scope:

Chemicals in plastic containers up to and including 1000 litres in size that are used for:

- (a) any horticulture, agricultural and livestock production, including veterinary medicines
- (b) industrial, utility, infrastructure and recreational pest and weed control
- (c) forestry
- (d) household pest and weed control operations
- (e) similar activities conducted or contracted by local and central government authorities.

This includes but is not limited to all substances that require registration under the Agricultural Compounds and Veterinary Medicines Act 1997, whether current or expired, and their containers (packaging), which are considered hazardous until they have been triple-rinsed.

Packaging for veterinary medicines, which includes syringes, tubes and flexible bags, must be phased in under the accredited scheme.

4. Refrigerants and other synthetic greenhouse gases

Potential scope:

- (a) refrigerants: all gases used for heating, cooling and air conditioning that are ozone depleting substances under the Ozone Layer Protection Act 1996 and/or synthetic greenhouse gases under the Climate Change Response Act 2002, and products containing these gases⁶
- (b) methyl bromide and products containing this gas.

5. Farm plastics

Potential scope:

- (a) plastic wrapping materials for silage or hay including, but not limited to, baleage wrap, hay bale netting, baling twine and covers for silage pits
- (b) plastic sacks for packaging agricultural and horticultural commodities including, but not limited to, fertiliser sacks, feed sacks and bulk tonne bags of woven polypropylene and/or polyethylene
- (c) other plastic packaging and products used for agriculture and horticulture including, but not limited to, protective nets, reflective ground covers, and rigid plastic containers other than containers for agrichemicals, detergents, lubricants or solvents.

6. Packaging (some packaging may be in both categories)

Beverage packaging – potential scope:

- (a) Packaging used to hold any beverage for retail sale that has more than 50 millilitres and less than 4 litres of capacity, made of any material singly or in combination with other materials (eg, plastic, glass, metal, paperboard or mixed laminated materials).

⁶ For example, ozone-depleting substances such as chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs), and gases contributing to climate change such as hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs).

Single-use plastic consumer goods packaging – potential scope:

- (b) Packaging used for consumer goods at retail or wholesale level made of plastic resin codes 1, 2, 3, 4, 5, 6 or 7, singly or in combination with one or more of these plastics or any non-plastic material, and not designed to be refilled.⁷

Consultation questions on the proposed priority products are listed in chapter 4.

WMA criteria for priority product declaration

Box 1 (below) lists the tests that must be met under the WMA before a priority product declaration is made.

Box 1: Requirements in Waste Minimisation Act 2008 for ministerial use of power to declare priority products

Under section 9 of the WMA the Minister must not make a priority product declaration unless he or she:

- is satisfied that either (a) the product will or may cause significant environmental harm when it becomes waste, or (b) there are significant benefits from reduction, reuse, recycling, recovery, or treatment of the product (section 9(2)(a))
- is satisfied that the product can be effectively managed under a product stewardship scheme (section 9(2)(b))
- has considered the effectiveness of any voluntary product stewardship schemes in relation to these matters (section 9(3)(d))
- has considered public concerns about environmental harm associated with the product when it becomes waste (including concerns about its disposal) and provided the public with an opportunity to comment on the proposal (section 9(3)(b) and (c))
- has obtained and considered the advice of the Waste Advisory Board (section 9(3)(a)).

Information relating to the first two of these tests, on which the Minister must be satisfied, is summarised below. Information about the next two tests, which the Minister must consider, is summarised in appendices 1 and 2.

The results of this consultation and a parallel consideration by the Waste Advisory Board will provide the balance of information.

⁷ Plastic resin codes are defined at: www.plastics.org.nz/images/documents/PDFs/pnz-id-code-web-2009-1.pdf

Table 2: Summary information relating to Waste Minimisation Act 2008 section 9(2) criteria for declaring priority products

Legend: Does it meet the statutory test? ✓ – meets ≈ – partially meets ✗ – does not meet

WMA 9(2) statutory tests		Summary information to address the statutory test
Tyres		
Risk of harm (WMA 9(2)(a)(i))	✓	<p>Tyre dumping and stockpiling can increase the risk of harm from fire and toxic materials entering air, soil and water.</p> <p>Tyres contain about 1.5 per cent by weight of hazardous compounds bound into the rubber. Tyres are designed to be long-lasting. Leaching of toxic material from tyres is more likely if the tyres are cut into small pieces (exposing more surface area) and/or are submerged in water over time. The materials most often found entering water from tyres are manganese, iron, aluminium, zinc, cadmium, lead and volatile organic compounds (eg, benzene, benzothiazole). Tyre wear on roads also contributes pollutants to the environment when fine tyre fragments are washed by stormwater into waterways.</p>
Waste minimisation benefits (WMA 9(2)(a)(ii))	✓	<p>Tyres contain significant energy (greater than coal) and can be converted to crumb rubber and engineering products. The most common uses of waste tyres overseas are tyre-derived fuel (TDF) and products made with rubber crumb, such as roading, roofing and flooring. Emerging technologies include pyrolysis (extraction of liquid fuels, steel and carbon black) and de-vulcanisation (recovery of flexible rubber for new products). Expanded recovery systems have the potential to create new income streams and industry onshore. Increased diversion would reduce incentives for dumping and stockpiling, reducing the risk of fire and environmental pollution. Infrastructure for conversion of tyres to TDF, and use of TDF for cement manufacture, is being established with co-funding from the Waste Minimisation Fund (WMF). Full economic operation will require a regulated framework to incentivise recycling.</p>
Product stewardship effectiveness (WMA 9(2)(b))	✓	<p>Overseas regulated product stewardship schemes obtain much higher diversion rates from landfill than do New Zealand's: 30 per cent, for example, over 80 per cent in Europe, Japan and the United States of America (USA), and over 90 per cent in Canada and South Korea. New Zealand tyre stakeholders developed the 'Tyrewise' proposal in 2012 based on such schemes. This is being refreshed by stakeholders in 2019. The model proposes a per-tyre advance fee that is redistributed to registered tyre collectors and processors on proof of delivery to approved tyre-recovery destinations. The projected cost per car tyre would be around \$5.50, while legacy stockpiles are dealt with. This would replace the current ad hoc disposal fee of \$2 to \$7 per passenger tyre equivalent levied by retailers, which is not necessarily used to fund appropriate tyre disposal.</p>
Electric and electronic products (including lamps and batteries)		
<i>Called 'e-waste' or waste electric and electronic equipment (WEEE) when disposed</i>		
Risk of harm (WMA 9(2)(a)(i))	✓	<p>E-waste can contain toxic substances, including lead, cadmium, mercury and brominated flame retardants (BFRs), posing a risk to the environment and human health. These are bio-accumulative toxins, which means they do not biodegrade and accumulate up the food chain. When e-waste is landfilled, toxic substances will leach out over time and mix with any water in the landfill, creating toxic leachate that potentially lasts over hundreds of years. Modern landfill engineering techniques contain leachate but not indefinitely, and</p>

WMA 9(2) statutory tests	Summary information to address the statutory test
	leachate cycling ⁸ increases concentrations. The risk is thus postponed and a potential burden for future generations. E-waste can also contain refrigerants (eg, refrigerators, freezers, heat pumps) – see below.
Waste minimisation benefits (WMA 9(2)(a)(ii))	√ E-waste contains valuable materials in trace amounts, such as gold and ‘rare earth’ metals, as well as larger amounts of resources, such as steel, aluminium, copper, plastic resins and glass. Globally, less than 1 per cent of the most economically critical metals is recovered, including ‘rare earth’ metals needed for many technologies, from touch screens to wind turbines. For most e-waste, the environmental benefits of recycling are not reflected in the market value of e-products at end of life, resulting in a low recovery rate under voluntary systems. Expanded recovery systems have the potential to create new income streams and industry onshore, including greater opportunity for social enterprises.
Product stewardship effectiveness (WMA 9(2)(b))	√ Regulated e-waste product stewardship is effectively diverting significant volumes of e-waste from landfill in the European Union, Scandinavia, Switzerland, several USA states, most Canadian provinces, Australia, Japan, Korea, South America and Taiwan. The European average is 49 per cent, compared with less than 2 per cent in New Zealand. The Government sought advice from computer and television brand owners and e-waste recyclers in 2006–08. Two models were proposed, both requiring regulated participation to succeed.

Agrichemicals and their containers

Risk of harm (WMA 9(2)(a)(i))	√ Agrichemicals are, by intent, toxic and pose a risk to human health and the environment if inappropriately used, stored or disposed of. The packaging used to supply and mix agrichemicals is also potentially toxic, until adequately cleaned, and is generated regularly with product use. Farm waste surveys indicate that most of these wastes are going into unlined farm dumps or landfills, being burnt on-farm or stored. Over time, stored waste agrichemicals can enter the environment from perished containers or during natural disasters, in both rural and urban catchments. Some agrichemicals, particularly older ones, contain persistent organic pollutants (POPs). POPs do not degrade in plants, animals or the physical environment and thus accumulate up the food chain, posing a long-term health risk to humans and ecosystems. The most serious of these have been deregistered for use in New Zealand, but they still arise from farm agrichemical collections, particularly when properties change farming systems or farms and homes change ownership.
Waste minimisation benefits (WMA 9(2)(a)(ii))	√ Unused or unwanted agrichemicals cannot be recycled. If they cannot be used legally for their intended purpose, they need to be safely neutralised or destroyed to reduce the risk of environmental harm. This problem is compounded if the original packaging or labelling is no longer able to be deciphered and the highest category of disposal for the contents must be taken. Some packaging containing agrichemicals can be recovered and recycled, if triple-rinsed to remove chemical residue (exceptions are oil-based products and POPs or unknowns).
Product stewardship	√ Effective regulated rural agrichemical schemes are in place overseas, for example, in Brazil, Canada and the European Union. The current voluntary accredited scheme in New Zealand could significantly increase waste

⁸ Leachate cycling is when leachate captured from an installed collection system is reintroduced to the landfill rather than be allowed to enter the environment at that time.

WMA 9(2) statutory tests		Summary information to address the statutory test
effectiveness (WMA 9(2)(b))		minimisation benefits, if all producers were required to participate. The stakeholder-led Agrichemical Review 2012 recommended to the Minister for the Environment that 'priority product' should be declared for agrichemicals and their containers, links made to registration under the Agricultural Compounds and Veterinary Medicines Act 1997, and attention given to improving incentives for consumer participation. Calculations at the time projected costs on agrichemical products under a comprehensive regulated scheme would be about 35 cents per litre for 100 per cent collection of packaging and typical disposal of unused or unwanted agrichemicals, compared with the then voluntary levy of 12 cents. The higher rate would equate to \$7 per 20 litre container or about 2 per cent of the product price.
Refrigerants and other synthetic gases		
Risk of harm (WMA 9(2)(a)(i))	√	Poorly managed refrigerants and other synthetic greenhouse gases are a significant contributor to depletion of the ozone layer and climate change. The risk of fire also increases from the use of flammable hydrocarbon refrigerants to replace some ozone-depleting gases. Under law, it is an offence to knowingly release refrigerants and other synthetic greenhouse gases into the atmosphere, but this is nearly impossible to monitor or enforce. Most losses to the environment are system leaks from poor design and poorly trained maintenance staff.
Waste minimisation benefits (WMA 9(2)(a)(ii))	√	Reduction of harm is the primary rationale for selecting this waste stream as a priority. Some waste refrigerants and other synthetic greenhouse gases, as well as canisters used for gas storage, can be recovered for reuse. However, product stewardship would primarily ensure that certain refrigerants are safely destroyed and only lower global warming potential (GWP) gases are recycled back into circulation. Lower GWP refrigerants have both the potential to be captured for recycling and economic benefits as the cost of virgin imported refrigerants increases.
Product stewardship effectiveness (WMA 9(2)(b))	√	Refrigerant and synthetic greenhouse gas recovery programmes are in place in Australia, Europe, Japan and the USA. These have much higher recovery rates compared with 20 per cent here (eg, Norway has 40 per cent, Japan 56 per cent and Australia over 60 per cent). The current voluntary accredited scheme in New Zealand could significantly increase waste minimisation benefits, if all producers were required to participate. In 2014, the estimated costs per product passed on to consumers in a regulated New Zealand scheme were estimated to range from \$2 per domestic refrigerator to \$133 per refrigerated truck (about 0.3 per cent to 0.5 per cent price increase).
Packaging		
Risk of harm (WMA 9(2)(a)(i))	√	Incorrectly disposed plastic packaging can cause direct harm, such as to marine wildlife, when plastic is ingested or releases toxins to the atmosphere when burnt at low temperatures. Plastics disposed to landfill can enter the environment over time if the landfill is sited so as to be subject to stormwater or sea level rise. Once in the environment, plastics eventually break down into microplastics (small pieces of less than 5 millimetres in size). The risk of microplastics and the toxins they can bring into the food chain is of growing concern. The build up of plastic waste in freshwater and marine environments is a global issue, and plastics make up an estimated 80 per cent to 85 per cent of marine litter. The effect of non-plastic packaging on the environment is connected to the embodied energy, toxicity and ecosystem impacts of continual resource extraction and processing for single-use designs. These are significant for metals and paper, less so for glass and highest for aluminium, unless high

WMA 9(2) statutory tests		Summary information to address the statutory test
		recycling rates can be achieved. Litter also imposes clean-up and amenity value costs. Packaging makes up most of the litter in New Zealand urban areas (56 per cent by count) and five of the top 10 items in beach clean ups. Drinks packaging is about 20 per cent of all litter items by count and three of the top 10 beach clean-up items (plastic drink bottles, caps and lids, and glass bottle pieces).
Waste minimisation benefits (WMA 9(2)(a)(ii))	√	The costs to collect and manage post-consumer packaging are borne by councils and the wider community, rather than the people who are making packaging, purchasing and disposal decisions. These costs are exacerbated by packaging design and lower cost (eg, co-mingling) recycling systems, which frequently reduce the recyclability and commodity value of collected material. These costs include collection, litter control, sorting and recycling, and disposal of non-recyclable material. Increasingly lower grade post-consumer plastic packaging is unable to be sold into the global market, further increasing costs. Realignment of responsibility for these costs, targeted price incentives, and coordinated product design, collection and recovery systems have the potential to create new income streams and industry onshore, including greater opportunity for social enterprises. Focusing on plastic packaging targets the reduction of major litter contributors.
Product stewardship effectiveness (WMA 9(2)(b))	√	Regulated packaging product stewardship is effectively diverting significant volumes of post-consumer waste from landfill (recovery rates above 80 per cent for the best-performing packaging types) and driving the uptake of reusable designs overseas (eg, Asia, Australia, Europe and North America). While some schemes have added significant costs, design has evolved over the past decade and cost-effective scheme models are now available (eg, Fostplus in Belgium). Container deposit systems (CDS) for beverage containers typically use 'deposit-return' to pay for scheme costs and incentivise return by consumers and communities.
Farm plastics		
Risk of harm (WMA 9(2)(a)(i))	√	Risks from the long-term contribution of microplastics to the environment and food chain relate equally to farm plastics as those from urban catchments. Rural waste studies show burning and burial are the most common methods of farm plastic waste disposal. This risks the release of toxic chemicals to air and soil, creates leachate (which can enter waterways, affecting aquatic life and livestock) and increases health and safety issues.
Waste minimisation benefits (WMA 9(2)(a)(ii))	√	Expanded recovery systems have the potential to reduce the risk of harm from current disposal practices and create new income streams and industry onshore.
Product stewardship effectiveness WMA 9(2)(b)	√	A regulated farm plastics recovery scheme is present in Ireland but could be better structured for cost effectiveness. Similar schemes are being investigated by some Australian states. The current voluntarily accredited scheme in New Zealand could significantly increase waste minimisation benefits, if all producers were required to participate.

Proposed guidelines for priority product stewardship schemes

Well-designed product stewardship frameworks can significantly improve waste minimisation, harm reduction, resource efficiency and incentives for more circular product design as New Zealand transitions to a circular economy. Poorly designed frameworks could add cost without delivering expected benefits. These could be from poor oversight and accountability for fees and outcomes, a lack of competition in providing services or by allowing the opportunity for producers⁹ to evade participation.

A well-designed scheme in the New Zealand context requires careful planning to transition from low-recovery rates and limited markets to high-recovery rates and enhanced onshore processing in the longer term. A staged approach is essential for:

- matching and managing the collected material
- supporting and developing markets to avoid stockpiling
- reducing risks of market volatility if dependent on offshore markets.

Outcomes and targets at the time of accreditation need to take into account the first accreditation period will contain unanticipated results and adjustments. Co-design and alignment with regional multi-material collection and processing infrastructure offer benefits in this regard.

Requirements in the WMA relating to accreditation application and approval are general in nature to suit both voluntary and regulated schemes. Additional guidelines to ensure robust priority product stewardship schemes are proposed, including greater safeguards for public accountability on producer fees, expenditure and waste minimisation outcomes.

The Associate Minister for the Environment is proposing to gazette guidelines for product stewardship schemes under section 12 of the WMA (for an explanation of section 12 guidelines, see [chapter 2](#)). These guidelines would apply to each of the six proposed priority product groups described. Under section 15 of the WMA, before accrediting a scheme, the Minister must be satisfied that it is consistent with any guidelines. The Minister may accredit a product stewardship scheme that is not consistent with any section 12 guideline if Waste Advisory Board advice has been obtained and considered before accreditation.

Box 2 lists the tests that must be met before section 12 guidelines can be gazetted.

Box 2: Requirements in Waste Minimisation Act 2008 for ministerial use of power to declare guidelines for accredited priority product schemes

Under section 12 of the WMA, before the Minister for the Environment publishes any guidelines, he or she must:

⁹ As noted in chapter 2, the WMA defines producers to include people who manufacture a product and sell it in New Zealand under their own brand; are the owner or licence holder of a trademark under which a product is sold in New Zealand; import a product for sale in New Zealand; or manufacture or import a product for use in trade by them or their agent.

- obtain and consider the advice of the Waste Advisory Board
- be satisfied adequate consultation has been undertaken with people or organisations that may be significantly affected by the guidelines.

Table 3 outlines the guidelines proposed for gazettal under section 12 of the WMA, and further information on overseas product stewardship schemes is available in appendix 3.

We have considered recommendations from comparative analysis of overseas experience of regulated product stewardship schemes (eg, European Commission, 2014; OECD, 2016) in preparing proposed section 12 guidelines.

Consultation questions on the proposed ministerial guidelines are listed in the next chapter.

Table 3: Proposed guidelines for priority product stewardship scheme design

Design feature	Proposed Waste Minimisation Act 2008 (WMA) section 12 guidelines for priority product scheme accreditation
1. Intended objectives and outcomes	<ul style="list-style-type: none"> a) Specify the expected reduction in harm to the environment from the implementation of a scheme and/or the expected benefits from reduction, reuse, recycling, recovery or treatment of the product to which a scheme relates. b) Specify the expected quantifiable waste minimisation and management objectives for the product to which a scheme relates, and the plan to achieve significant, timely and continuous improvement. c) All schemes will be designed to incentivise product management higher up the waste hierarchy in priority order: waste prevention, reuse, recycling, recovery (materials and energy), treatment and disposal. d) For products containing hazardous materials: industry certification and compliance with other legislation for installation or use, maintenance, collection, transport, storage and disposal pathways. e) All schemes will be designed and financed to manage orphaned and legacy products,¹⁰ as well as current products entering the market.
2. Fees, funding and cost effectiveness	<ul style="list-style-type: none"> a) The full net costs of collection and management of the priority product (reuse, recycling, processing, treatment or disposal) will be covered by producer and product fees associated with the scheme (eg, ‘producer pays’ or ‘advance disposal fee’).¹¹ b) The impact of more than one accredited scheme and opportunities for maintaining competition should be considered in terms of net cost effectiveness (including monetary and non-monetary costs and benefits). c) Specify plans to manage risk to sustainable scheme income, such as price volatility and leakage of materials into other markets.

¹⁰ Legacy products include those sold into the market in earlier years that are now obsolete or banned (eg, agrichemicals containing POPs). Orphaned products include current or recent products for which a liable producer is no longer present (eg, e-waste marketed by companies no longer in business).

¹¹ The WMA defines producers to include people who: manufacture and sell a product in New Zealand under their own brand; are the owner or licence holder of a trademark under which a product is sold in New Zealand; import a product for sale in New Zealand; or manufacture or import a product for use in trade by them or their agent.

Design feature	Proposed Waste Minimisation Act 2008 (WMA) section 12 guidelines for priority product scheme accreditation
	d) Specify how existing and emerging technologies will be used to help track and manage product or waste throughout the supply chain (eg, bar codes, radio frequency identification (RFID), and block chain).
3. Governance	<p>a) The scheme governance entity will be independent, non-profit and represent producers and wider stakeholders, including public interest.</p> <p>b) Governance should include wider stakeholders in two types of advisory groups: those including product producers and recipients of product management fees who have technical or supply chain knowledge, and other stakeholders who represent wider community and consumer interests.</p> <p>c) Structure and accountability of the scheme governance entity will be specified. Clear mechanisms will be implemented to fully control scheme operation, manage non-compliance and report on outcomes.</p> <p>d) The selection process for scheme directors will be transparent, and scheme governance provisions will follow best practice guidelines for New Zealand.¹²</p> <p>e) Given the size of New Zealand’s population and market, the default expectation will be that either a single accredited scheme per priority product, or a clear platform for cooperation between schemes for efficient materials handling, will be part of the design.</p>
4. Non-profit status	a) Given the prominence of expected net public good outcomes, the default expectation is that all priority product stewardship schemes will be operated by non-profit entities representing key stakeholders.
5. Competition	<p>a) The scheme will clearly provide for transparent, non-discriminatory and competitive procurement processes for downstream services, such as collection, sorting, material recovery and disposal.</p> <p>b) The scheme will ensure that no collectors and recyclers (whether existing, new entrant or social enterprise) are unfairly excluded from participation. This includes making service packages of suitable scale (whether geographically, by material or other measure) to allow both large and small providers to compete fairly.</p> <p>c) Multiple accredited schemes will be considered if the net community and environmental benefit (including cost-effectiveness and non-monetary impacts) is likely to be improved.</p> <p>d) Provision will be made for regular independent audit of agreements among competitors.</p> <p>e) The design process for the scheme will have adhered to guidelines on collaborative activities between competitors as issued by the Commerce Commission, including, but not limited to, applying for collaborative activity clearance from that commission (eg, Commerce Commission, 2018a, 2018b, 2018c and 2019).</p>
6. Stakeholder engagement and collaboration	<p>a) The scheme will specify how wider stakeholders will be involved in decision-making by governance group (eg, use of stakeholder advisory groups).</p> <p>b) The scheme will have been designed with the active engagement of stakeholders currently involved in the product end of life (eg, collectors and recyclers).</p>

¹² For example, the Institute of Directors of New Zealand *Code of Practice for Directors* (www.iod.org.nz/Portals/0/Publications/Founding%20Docs/Code%20of%20Practice.pdf).

Design feature	Proposed Waste Minimisation Act 2008 (WMA) section 12 guidelines for priority product scheme accreditation
	<p>c) The scheme will specify how use of existing collection and processing infrastructure and networks will be maximised and new infrastructure and networks co-designed and integrated between product groups.</p>
7. Compliance	<p>a) The scheme will have a clear means of enforcing compliance of all participants and reporting liable non-participants to the government enforcement agency.</p> <p>b) The scheme will have strategies to reduce ‘leakage’ of higher value end-of-life products (eg, ‘cherry picking’ of e-waste components by informal collectors).</p>
8. Targets	<p>a) All schemes will be expected to set and report on targets that have the following characteristics:</p> <ul style="list-style-type: none"> • significant, timely and continuous improvement • benchmarked against and aspiring to attain best practice recovery and recycling or treatment rates for the same product type in high-performing jurisdictions • a clear time bound and measurable path to move toward attaining best practice • targets for new product and market development to accommodate collected materials. <p>b) Results against targets will be publicly reported at least annually.</p> <p>c) Material collection, recovery and disposal rates will be measured against one of the following:</p> <ul style="list-style-type: none"> • actual trend data, if the scheme has pre-existed as a voluntary scheme • the average aggregate weight or count of products sold into the market in the previous three reported years • another specified method where market entry information does not yet exist. <p>d) Plans will be specified for review, adjustment and reporting on performance targets preferably annually and no less than every three years, taking account of changes in the market, natural events and technology.</p> <p>e) A clear distinction will be made between funding arrangements and market capacity to manage both potential high volume legacy and orphaned product collections in earlier years and ongoing continuous improvement of collection rates.</p> <p>f) Performance targets will include measures for public awareness of scheme participant satisfaction and a record of response by the scheme to concerns raised. This will be made available to scheme auditors.</p>
9. Timeframes	<p>a) The timeframe within which an application for accreditation or reaccreditation of the priority product scheme is expected to be made after declaration of priority product is as follows:</p> <ul style="list-style-type: none"> • priority product categories with existing accredited voluntary schemes (eg, refrigerants, agrichemicals, farm plastics, packaging): within one year from the date of priority product declaration • priority product categories with accreditation proposals that have been developed through a multi-stakeholder consultation process including, as a minimum, producers, local authorities, major users, existing collectors and recyclers (eg, tyres): within one year from the date of priority product declaration or the date of proposal completion, whichever comes later

Design feature	Proposed Waste Minimisation Act 2008 (WMA) section 12 guidelines for priority product scheme accreditation
	<ul style="list-style-type: none"> • other priority product categories: within three years from the date of priority product declaration. <p>b) Within the accredited seven-year period, at least one full review will be undertaken of scheme costs and effectiveness. The results of reviews and proposed scheme amendments to improve cost effectiveness will be reported via the annual reporting process.</p>
10. Market development	<p>a) The scheme will have a research and development budget to develop new recycled products, encourage transition to circular product and recycled product materials design, and cooperate with other stakeholders to enhance onshore infrastructure.</p>
11. Performance standards, training and certification	<p>a) The scheme will have clear means for ensuring adequate training and certification of all people recovering and managing a product throughout its life cycle, to ensure best practice in prevention and reduction of harm to people and the environment.</p> <p>b) Any relevant standards for best practice will be referenced in training, supplier accreditation and monitoring (eg, AS/NZS 5377 for e-waste collection and processing). The scheme will participate in the development and revision of relevant standards.</p> <p>c) The scheme will have clear chain of custody arrangements for monitoring processing of materials and reduction of harm, both onshore and offshore, including annual reporting of findings.</p>
12. Liability and insurance	<p>a) The scheme will have clear chain of custody arrangements for monitoring receipt and processing of materials and reduction of harm, both onshore and offshore, including annual reporting of findings.</p> <p>b) The scheme will ensure that liability of parties is clear for each stage of product and materials handling, and adequate insurance for liability is in place at each stage of the process.</p>
13. Design for environment	<p>a) The scheme will contain financial or other incentives for diversion of collected products to highest and best resource use, weighted for applications higher up the 'waste hierarchy' (in priority order: reduction, reuse, recycling or composting, energy recovery, safe treatment and disposal).</p> <p>b) The fees paid by a producer to a collective scheme will, as far as possible, be linked to actual end-of-life treatment costs of their products, such as through variable or modulated fees.</p> <p>c) The scheme will facilitate good communication, feedback and incentives between designers, manufacturers, sales and marketing teams, distributors, retailers, consumers, collectors, recyclers and end disposal operators, to inform improved design of products and systems.</p> <p>d) The scheme will fund initiatives to improve circular resource use by reducing the 'end-of-life' components of the product(s) and improving design for reusability and recyclability of the priority product(s).</p>

Design feature	Proposed Waste Minimisation Act 2008 (WMA) section 12 guidelines for priority product scheme accreditation
14. Reporting and public accountability	<ul style="list-style-type: none"> a) The scheme will provide for clear, regular and open reporting and communication with stakeholders. b) Annual reports will be made public. These will include measurement of outcomes and achievement of targets, fees collected and disbursed, and net cash reserves held as contingency. c) Provision will be made for regular independent financial, compliance, enforcement and environmental audits of scheme performance. d) Scheme plans will address the following: data availability, especially when several PROs are in competition; materials' traceability; precise definition for data collection and reporting (eg, recycling rates and operational costs). e) The scheme will have mechanisms in place to protect competitive information relating to detailed operational costs (eg, 'black box' data collection by third party with aggregate reporting). f) Scheme performance measures will be harmonised between schemes as far as possible.
15. Public awareness	<ul style="list-style-type: none"> a) Branding and clear information on how and why the scheme operates will be easily available at point of distribution (intercompany) and purchase (consumer), point of waste product collection and online, and a link to the online information will be on the product or product packaging. b) The scheme will provide for transparent product stewardship fees at point of purchase. c) The scheme will ensure that consumer labelling standards for the product are complied with (eg, under the Hazardous Substances and New Organisms Act 1996 for hazardous substances). d) The scheme will regularly measure and report on public awareness and scheme participant satisfaction, and improvements made accordingly.
16. Monitoring, compliance and enforcement	<ul style="list-style-type: none"> a) The scheme will have a clear means of enforcing compliance of all participants and reporting liable non-participants to the government enforcement agency. b) The scheme will have strategies to reduce 'leakage' of higher value end-of-life products (eg, 'cherry picking' of e-waste components by informal collectors). c) The Government will enforce WMA regulations. d) Revocation of accreditation is possible under WMA section 18 if reasonable steps are not being taken to implement the scheme, and the scheme's objectives are not being met or are not likely to be met within the timeframes outlined in the scheme.
17. Accessible collection networks	<ul style="list-style-type: none"> a) The scheme will provide for an end-of-life product collection system that is reasonably accessible for all communities generating that waste product, whether metropolitan, provincial or rural. b) Collection will be free to the public (fully funded by the scheme) for all products covered by the scheme. c) Collection will be based on the product, not proof of purchase. d) Collections will, as far as possible, share infrastructure and public information with other collection schemes in the area.

Next steps

This consultation does not cover potential regulations under sections 22 or 23 of the WMA, or other regulations under other legislation, to support the effective operation of a priority product stewardship scheme.

Under the WMA, regulations to support the effective management of a proposed priority product stewardship scheme may include:

- requiring the sale of priority products only in accordance with accredited product stewardship schemes
- prescribing advance environmental disposal fees
- deposit–return frameworks
- labelling or material controls.

The timing of any regulations will vary by priority product group, and will occur once stakeholder working groups have identified scheme option details, including expected costs and benefits.

4 Consultation process

How to make a submission

The Government welcomes your feedback on this consultation document. The questions summarised here are a guide, and all comments are welcome. You do not have to answer all the questions.

To ensure others clearly understand your point of view, you should explain the reasons for your views and provide supporting evidence where appropriate.

You can make a submission in two ways.

- Use our online submission tool, available at www.mfe.govt.nz/consultations/priorityproducts. **This is our preferred way to receive submissions.**
- Write your own submission.

If you are posting your submission, send it to: Proposed Priority Products and Guidelines, Ministry for the Environment, PO Box 10362, Wellington 6143. Include:

- the title of the consultation (Proposed priority products and guidelines)
- your name or organisation
- your postal address
- your telephone number
- your email address.

If you are emailing your submission, send it to priorityproducts.submissions@mfe.govt.nz as a:

- PDF
- Microsoft Word document (2003 or later version).

Submissions close at **5.00 pm on Friday 4 October 2019**.

For more information

Please direct any queries to:

Email: regulated_product_stewardship@mfe.govt.nz

Postal: Proposed Priority Products and Guidelines, Ministry for the Environment,
PO Box 10362, Wellington 6143

Publishing and releasing submissions

All or part of any written submission (including names of submitters) may be published on the Ministry for the Environment's website, www.mfe.govt.nz. Unless you clearly specify otherwise in your submission, we will consider that you have agreed to have your submission and your name posted on our website.

Contents of submissions may be released to the public under the Official Information Act 1982, if requested. Please let us know if you do not want some or all of your submission released, stating which part(s) you consider should be withheld and the reason(s) for withholding the information.

Under the Privacy Act 1993, people have access to information held by agencies about them. Any personal information you send to the Ministry with your submission will only be used in relation to matters covered by this document. In your submission, please indicate if you prefer we do not include your name in the published summary of submissions.

Priority products

Do you agree with the proposed scope for priority product declarations for the following six product groups?

Q1: End-of-life tyres

- (a) All pneumatic (air-filled) tyres and certain solid tyres for use on motorised vehicles (for cars, trucks, buses, motorcycles, all-terrain vehicles, tractors, forklifts, aircraft and off-road vehicles).
- (b) All pneumatic and solid tyres for use on bicycles (manual or motorised) and non-motorised equipment.

Yes / No / Not sure / Why / Why not?

Q2: Electrical and electronic products

- (a) Large rechargeable batteries designed for use in electric vehicles, household-scale and industrial renewable energy power systems, including but not limited to lithium-ion batteries.
- (b) All other batteries (eg, batteries designed for use in hand-held tools and devices).
- (c) All categories of waste electrical and electronic equipment (WEEE) defined in Annex II of European Directive 2012/19/EU (eg, 'anything that requires a plug or a battery to operate').

Yes / No / Not sure / Why / Why not?

Q3: Agricultural chemicals and their containers

Chemicals in plastic containers up to and including 1000 litres in size that are used for:

- (a) any horticulture, agricultural and livestock production, including veterinary medicines
- (b) industrial, utility, infrastructure and recreational pest and weed control
- (c) forestry
- (d) household pest and weed control operations
- (e) similar activities conducted by or contracted by local and central government authorities.

This includes but is not limited to all substances that require registration under the Agricultural Compounds and Veterinary Medicines Act 1997, whether current or expired, and their containers (packaging), which are deemed hazardous until such time as triple-rinsed.

Packaging for veterinary medicines, which includes syringes, tubes and flexible bags, must be phased in under the accredited scheme.

Yes / No / Not sure / Why / Why not?

Q4: Refrigerants and other synthetic greenhouse gases

- (a) Refrigerants: all gases used for heating, cooling and air conditioning that are ozone-depleting substances under the Ozone Layer Protection Act 1996 and/or synthetic greenhouse gases under the Climate Change Response Act 2002, and products containing these gases.
- (b) Methyl bromide and products containing this gas.

Yes / No / Not sure / Why / Why not?

Consultation questions

Q5: Packaging

- (a) Beverage packaging: used to hold any beverage for retail sale that has more than 50 millilitres and less than 4 litres of capacity, made of any material singly or in combination with other materials (eg, plastic, glass, metal, paperboard or mixed laminated materials).
- (b) Single-use plastic consumer goods packaging: used for consumer goods at retail or wholesale level made of plastic resin codes 1, 2, 3, 4, 5, 6 or 7, singly or in combination with one or more of these plastics or any non-plastic material, and not designed to be refilled.

Yes / No / Not sure / Why / Why not?

Q6: Farm plastics

- (a) Plastic wrapping materials used for silage or hay, including but not limited to baleage wrap, hay bale netting, baling twine, and covers for silage pits.
- (b) Plastic packaging used for agricultural and horticultural commodities including but not limited to fertiliser sacks, feed sacks, and bulk tonne bags made from woven polypropylene and/or polyethylene.
- (c) Other plastic packaging and products used for agriculture and horticulture including, but not limited to, protective nets, reflective ground covers, and rigid plastic containers other than containers for agrichemicals, detergents, lubricants or solvents.

Yes / No / Not sure / Why / Why not?

Ministerial guidelines for priority product stewardship schemes

Q7: Proposed guidelines

Do you agree with the proposed guidelines for priority product stewardship schemes outlined in table 3?

Yes / No / Not sure / Why / Why not?

Q8: Changes to guidelines

What changes would you make to the proposed guidelines for priority product stewardship schemes?

Appendix 1: Results of prior public consultation on product stewardship priorities

Public consultation has been held on potential product waste streams for priority action three times: in 2005, 2009 and 2014. Table 4 summarises the results. More detail is available in the published consultation documents and summaries of submissions (Ministry for the Environment 2005, 2006, 2009, 2010, 2014 and 2015).

Table 4: Results of public consultation on priority products for enhanced product stewardship: 2005, 2009 and 2014

Product group	2005	2009	2014	2019
End-of-life tyres	+	+	○●	○
E-waste	+	+	○●	○
– batteries	+			<i>(lithium-ion)</i>
Refrigerants		○●	○●	○
Agrichemicals		○●	○●	○
Farm plastics			○●	○
Waste oil	+	○●		
End-of-life vehicles	+			
Packaging	+	+	+	○
Plastic bags			+	

- Proposed by government
- Endorsed by most submissions
- + Most common additional priority products proposed by submitters

The 2014 consultation focused specifically on the potential declaration of four proposed priority products under the WMA (farm plastics was combined with agrichemicals and their containers). Submissions were particularly sought from key stakeholders, and 216 submissions were received. The spectrum of responses was: 28 per cent industry (non-waste); 17 per cent local government; 14 per cent individuals; 9 per cent waste industry; 15 per cent representative bodies; 5 per cent community recycling organisations; 6 per cent other non-governmental organisations; 3 per cent consultants; 1 per cent academic; and 2 per cent other.

- Industry submissions (waste services, industry-specific representative bodies) primarily commented on their areas of expertise and most were supportive of both proposed priorities and government intervention.
- All the local government submissions were positive for prompt action on the four proposed – and other – waste streams. Submitters expressed a view that regulatory intervention from central government could achieve benefits that outweigh the costs.

Results of the 2014 consultation on priority products are summarised by product group below.

Figure 5: Summary of 2014 submissions: priority product declaration for end-of-life tyres

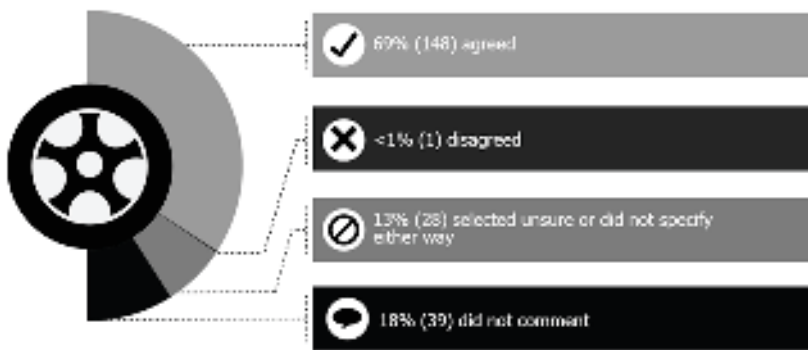


Figure 6: Summary of 2014 submissions: priority product declaration for e-waste



Figure 7: Summary of 2014 submissions: priority product declaration for refrigerants and other synthetic greenhouse gases



Figure 8: Summary of 2014 submissions: priority product declaration for agrichemicals and farm plastics



Appendix 2: Waste minimisation by voluntary product stewardship schemes

One of the matters the Minister for the Environment must consider before declaring a priority product is the effectiveness of any relevant voluntary product stewardship schemes. This effectiveness is to be considered in terms of WMA section 9(2) criteria: reduction of environmental harm from the product when it becomes waste and/or creation benefits from reduction, reuse, recycling, recovery or treatment, and ability to manage the product effectively under a product stewardship scheme. Information in this regard is summarised in table 5.

Recycling data in New Zealand is extremely limited, both by product group and in aggregate. This situation was recognised in the 2017 waste levy review (Ministry for the Environment, 2017b) and the recommendations to improve data collection are currently being given effect.

Recycling rates from landfill sites subject to the waste disposal levy must be reported by the levied landfills. However, the data do not allow accurate measurement of actual recycling rates for New Zealand as a whole. This is because the data omit recycling at unlevied landfills and materials diverted for recycling before the landfill gate.

A small number of product groups have voluntary product stewardship schemes, and data are reported annually for the accredited schemes. However, the data are provided on a commercial-in-confidence basis, so details are not available for public reporting (except as schemes choose to do themselves). In addition, the data from most accredited voluntary schemes are reported without the context of the total waste generated for the target product group or the total of the collected waste product actually recycled. Thus, efficacy is difficult to assess.

Table 5: Voluntary scheme effectiveness in relation to the criteria set out in subsection 9(2) of the Waste Minimisation Act 2008

Product group	Effectiveness of voluntary product stewardship schemes
<p>Tyres</p>	<p>An estimated third of end-of-life tyres are currently diverted from disposal (an estimated 14 per cent are exported whole for reuse and recovery, 13 per cent are processed onshore, 4 per cent are used as silage covers and 1 per cent are used in pyrolysis trials). Data updates are being prepared by several entities in 2019.</p> <p>The voluntary Tyre Track scheme, co-sponsored by the Motor Trade Association and Ministry for the Environment (2004–09), fostered trading between registered tyre generators and collectors and tracked the fate of the registered tyres. By the end of the programme, about a third of waste tyres were registered but national rates of recycling and illegal dumping were not affected.</p>
<p>Electrical and electronic products (e-waste)</p>	<p>Several limited user-pays and council-pays schemes are in place. The total estimated recycling rate is less than 2 per cent of e-waste. Voluntary schemes include the following.</p> <p>eDay: This was an annual national free collection of e-waste (2007–10), supported by volunteer labour and government subsidy. Despite good public participation, estimated diversion was only about 1 per cent.</p> <p>TV TakeBack: This was subsidised by the Government in 2012 to minimise e-waste generated by the digital switchover. From October 2012 to March 2014, over</p>

Product group	Effectiveness of voluntary product stewardship schemes
	<p>222,000 unwanted televisions were diverted from landfill for recycling, which equalled over 4,000 tonnes of waste. Failure of a major recycler led to a significant inflation of costs to the Government to ensure a complete, safe clean up.</p> <p>Voluntary WMA-accredited schemes: RE:MOBILE (accredited 2014) for all mobile phones, over 72,000 tonnes diverted; Fuji Xerox Zero Landfill Scheme (accredited 2015) for Fuji-Xerox products, over 1,230 tonnes diverted; and Sharp Comprehensive Recycling and Waste Reduction Scheme (accredited 2016) for Sharp products; TechCollect/Croxley pilot e-waste scheme started in late 2018. Data have not been reported.</p>
<p>Agrichemicals and their containers</p>	<p>Regional councils and the Government co-funded the collection of legacy unused and/or unwanted agrichemicals (2003–09). Taxpayer costs were \$4 million for 640 tonnes. Estimates that most regions would be ‘substantially cleared’ by 2009 led the Government to ask industry and councils to form a product stewardship scheme: the voluntary Agrecovery Rural Recycling Programme was accredited under the WMA in 2010. The Government subsidised export and destruction of chemicals unable to be treated onshore from 2009–13. Agrecovery has built a large producer membership but free-rider and non-participation issues remain. User-pays charges for non-member brands or legacy agrichemicals and POPs discourage users, and the levy does not cover a comprehensive and convenient collection. Recovery of containers is estimated to be at 45 per cent to 50 per cent of current agrichemical packaging from members’ levied products.</p> <p>The DDT Muster (Waste Minimisation Fund co-funded) in both urban and rural catchments could not service many bookings due to user-pays requirements at disposal. Although DDT has been banned for decades, products containing it left in storage are still discovered when properties change ownership.</p>
<p>Refrigerants and other synthetic greenhouse gases (SGGs)</p>	<p>The Refrigerant Recovery voluntary product stewardship scheme started in 1993 and was accredited under the WMA in 2010. It is funded by a voluntary levy on imported bulk refrigerants paid by the major importers. Importers of smaller bulk amounts or pre-charged gas canisters have not joined and do not pay. While these importers pay the SGG levy, these funds are not directly available for collection of SGGs for treatment. Emissions Trading Scheme (ETS) credits received by the Refrigerant Recovery programme for exported SGGs cover some programme costs. An estimated 20 per cent of available eligible refrigerants are being collected for safe disposal.</p> <p>Most imported refrigerants are thought to be used to replace leakages caused by poor design and maintenance. The scheme actively promotes an industry code of good practice to reduce risks of harm but has found poor uptake and low levels of training in the industry. Requiring participation in the national scheme would enable enforcement of training standards for refrigerant technicians. The potential risk from poor training is likely to increase as high global warming gases are phased out and flammable non-SGG refrigerants (eg, ammonia) increase.</p>
<p>Packaging</p>	<p>Council kerbside recycling services are the main diverter of post-consumer packaging waste, funded by ratepayers either through council or private contracts. Product sales rarely cover collection costs and services are vulnerable to market fluctuations in commodity prices, as highlighted recently with the implementation of China’s National Sword ban on imports of certain recyclables. A recent recycling sector estimate shows that about a third of recycled packaging comes from households and most packaging commodities are exported except glass. National mass balance (tonnage placed on market compared with tonnage recycled) or aggregate diversion data for packaging is not formally reported. In due course, this should improve through implementation of the recommendations of the 2017 waste levy review and the National Resource Recovery working group.</p>

Product group	Effectiveness of voluntary product stewardship schemes
	<p>The 1999 and 2004 voluntary Packaging Accords collected mass balance data estimates and encouraged proactive industry response.</p> <p>Under the WMA, several packaging schemes have been accredited:</p> <ul style="list-style-type: none"> • The Glass Packaging Forum scheme (accredited 2010) created a fund from member contributions to support glass container recycling infrastructure. Since accreditation, total collection for recycling has contributed 1.9 million tonnes. • The Public Place Recycling Scheme (accredited 2013) was built on a government co-funded collection network and works with councils. Since accreditation, total collection for recycling has been over 16,000 tonnes. • The Fonterra Milk for Schools (accredited 2013) addresses a new waste stream created by use of small-serve single-use packaging to deliver milk to schools. Total waste prevention since accreditation has been over 660 tonnes. • The Soft Plastics Recycling Scheme (accredited 2018) was Waste Minimisation Fund-subsidised to establish a national collection network. National collection was suspended in 2018 due to lack of viable markets for the collected materials, but a small catchment was re-established in 2019.
Farm plastics	<p>The Plasback voluntary product stewardship scheme was accredited in 2010 and, since then, has diverted over 9500 tonnes of plastics (11,600 since the scheme started). This comprised:</p> <ul style="list-style-type: none"> • 8600 tonnes of stretch film silage wrap • 570 tonnes of polypropylene (bags, twine, tree guards and packaging) • 300 tonnes of high-density polyethylene containers and vine nets • 75 tonnes of medium-density polyethylene irrigation pipes. <p>It is a user-pays system for farmers using pre-paid collection bags. The scheme is run by a single agricultural plastic supplier and the rest are free-riders. An estimated 70 per cent of bale wrap and nearly 100 per cent of twine, feed bags and crop protection netting are not being collected for recycling.</p>

Further information on accredited voluntary product stewardship schemes in New Zealand is on the Ministry for the Environment website.¹³

¹³ See www.mfe.govt.nz/waste/we-all-have-role-play/responsible-product-management/businesses-taking-responsibility-their for further information.

Appendix 3: Overseas product stewardship case study guidance

More than 400 regulated product stewardship or ‘extended producer responsibility’ (EPR) schemes exist worldwide, primarily in Australia, Europe, North America and Northeast Asia. Regulated schemes most commonly cover electrical and electronic products (e-waste), tyres, packaging, batteries, vehicles and oil, followed by medicines, paint, agrichemicals and their containers, products containing mercury (mercury thermostats, auto switches and fluorescent lamps) and graphic paper.

The most common form of scheme is product take-back, followed by advance disposal fees and deposit–refund (Peterson, 2014). Within these are many variations in the level of competition between product stewardship organisations, accountability and reporting, government oversight, and targets. Some generic models have been shown in figure 3 on page 13.

Comparative data, especially concerning scheme costs, is not widely available, which limits the opportunity for a fully comprehensive study of best practice. Even when performance measurement is available, methods can vary between countries (for example, in Europe, recycling rates measure tonnage *delivered to* reprocessors, whereas in Australia these rates measure *output from* the reprocessor).

The most comprehensive study identified was carried out for the European Commission. It looked at 175 EPR product stewardship programmes in member countries, and conducted 36 in-depth case studies where the best data were available (European Commission, 2014). The European Commission found EPRs appeared to have reduced the burden on public budgets and that the best performing schemes in most cases were not the most expensive ones.

Both this study and an earlier study of 11 European and North American schemes (MS2 and Perchards, 2009) found no single EPR or regulated product stewardship model emerged as the best performing or most cost effective.

The 2014 European Commission study offered eight main design principles for effective, regulated product stewardship programmes:

1. clarify intent of regulations
2. clarify roles of sectors
3. ensure system covers full net costs
4. producer fees should be differentiated by end-of-life costs of their products
5. competition framework needs equal rules and adequate surveillance and enforcement
6. ensure transparency of performance and cost data
7. harmonise definitions and reporting between schemes and countries
8. monitoring and enforcement framework must be adequately resourced and involve both government and producers.

The Organisation for Economic Co-operation and Development (OECD) considered this evidence base, combined with other research and case studies, and made recommendations to member states on the improvement of outcomes in four areas (OECD, 2016):

1. scheme design and governance
2. competition
3. design for environment
4. informal recycling sector.

These recommendations are combined in table 6, with supplementary information provided where available.

Table 6: Analysis for proposed guidelines for priority product stewardship scheme design: existing Waste Minimisation Act 2008 (WMA) criteria, recommendations from overseas case studies and proposed guidelines

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
Intended objectives and outcomes	<p>WMA section 15(1) The Minister must accredit a product stewardship scheme if he or she is satisfied that the scheme—</p> <p>(a) meets the requirements of section 14; and</p> <p>(b) is likely to meet the scheme’s objectives within the timeframes set in the scheme; and</p> <p>(c) is likely to promote waste minimisation or reduce the environmental harm from disposing of the product to which the scheme relates without, in either case, causing greater environmental harm over the life cycle of the product; and</p> <p>(d) is consistent with New Zealand’s international obligations; and</p> <p>(e) if the scheme relates to a priority product, is consistent with any guidelines published under section 12.</p>	<ul style="list-style-type: none"> • Clarify intent of regulation. • Clearly articulate objectives of proposed programmes. 	<ul style="list-style-type: none"> • Specify the expected reduction in harm to the environment from the implementing a scheme and/or the expected benefits from reduction, reuse, recycling, recovery or treatment of the product to which a scheme relates. • Specify the expected quantifiable waste minimisation and management objectives for the product to which a scheme relates, and the plan to achieve significant, timely and continuous improvement. • All schemes will be designed to incentivise product management higher up the waste hierarchy; in priority order: waste prevention, reuse, recycling, recovery (materials and energy), treatment and disposal. • For products containing hazardous materials: industry certification and compliance with other legislation for installation or use, maintenance, collection, transport, storage and disposal pathways. • All schemes will be designed and financed to manage orphaned and legacy products,¹⁵ as well as current products entering the market.

¹⁴ Sources include: Australian Continuous Improvement Group, 2017; European Commission, 2014; Green and Trebilcock, 2010; MS2 and Perchards, 2009; OECD, 2016; Peterson, 2014.

¹⁵ Legacy products include those that were sold into the market in earlier years but are now obsolete or banned (eg, agrichemicals containing persistent organic pollutants). Orphaned products include current or recent products for which a liable producer is no longer present (eg, e-waste marketed by companies no longer in business).

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
Fees, funding and cost effectiveness		<ul style="list-style-type: none"> Producers should be responsible for financing the end-of-life costs of their products. Producer and product fees should cover full net costs of collection and treatment. The cost of end-of-life treatment ideally should be internalised into the price of the product and paid for by consumers. Consider ways to manage risks to sustainable scheme income, such as price volatility and leakage. Design fee structures with a robust process and facilitate regular reassessment. 	<ul style="list-style-type: none"> The full net costs of collection and management of the priority product (reuse, recycling, processing, treatment or disposal) will be covered by producer and product fees associated with the scheme (eg, 'producer pays' or 'advance disposal fee').¹⁶ The impact of more than one accredited scheme and opportunities for maintaining competition should be considered in terms of net cost effectiveness (including monetary and non-monetary costs and benefits). Specify plans to manage risk to sustainable scheme income, such as price volatility and leakage of materials into other markets. Specify how existing and emerging technologies will be used to help track and manage product or waste throughout the supply chain (eg, bar codes, radio frequency identification (RFID), and block chain).

¹⁶ The WMA defines producers as people who: manufacture a product and sell it in New Zealand under their own brand; are the owner or licence holder of a trademark under which a product is sold in New Zealand; import a product for sale in New Zealand; or manufacture or import a product for use in trade by them or their agent.

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
Governance		<ul style="list-style-type: none"> Ensure that stakeholders other than industry are involved in governance eg, local authorities, government appointees. 	<ul style="list-style-type: none"> The scheme governance entity will be independent, non-profit and represent producers and wider stakeholders, including public interest. Governance should include wider stakeholders in two types of advisory groups: those including product producers and recipients of product management fees who have technical and supply chain knowledge, and other stakeholders who represent wider community and consumer interests. Structure and accountability of the scheme’s governance entity will be specified. Clear mechanisms will be in place to fully control the scheme’s operation, manage non-compliance and report on outcomes. The selection process for scheme directors will be transparent, and scheme governance provisions will follow best practice guidelines for New Zealand.¹⁷ Given the size of New Zealand’s population and market, the default expectation will be that either a single accredited scheme per priority product, or a clear platform for cooperation between schemes for efficient materials handling, will be part of the design.
Non-profit status			<ul style="list-style-type: none"> Given the prominence of expected net public good outcomes, the default expectation is that all priority product stewardship schemes will be operated by non-profit entities representing key stakeholders.

¹⁷ For example, Institute of Directors of New Zealand *Code of Practice for Directors* (www.iod.org.nz/Portals/0/Publications/Founding%20Docs/Code%20of%20Practice.pdf).

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
Competition		<ul style="list-style-type: none"> • Competition framework needs equal rules and adequate surveillance and enforcement. • Product stewardship policies should be as pro-competition as possible. • Waste collection, sorting, and disposal and treatment services should be procured by transparent and competitive tender. • Agreements among competitors to establish producer responsibility organisations (PROs) should be assessed externally. • Monopoly should not be the default structure for PROs. Single product stewardship organisations should be allowed only when the benefits outweigh the costs of less competition. <p>Stakeholders need to see that proposed interventions are justified, fair and supportive of competition. Redistribution of</p>	<ul style="list-style-type: none"> • The scheme will clearly provide for transparent, non-discriminatory and competitive procurement processes for downstream services such as collection, sorting, material recovery and disposal. • The scheme will ensure that no collectors and recyclers (whether existing, new entrant or social enterprise) are unfairly excluded from participation. This includes making service packages of suitable scale (whether geographically, by material or other measure) to allow both large and small providers to compete fairly. • Multiple accredited schemes will be considered if the net community and environmental benefit (including cost effectiveness and non-monetary impacts) is likely to be improved. • Provision will be made for regular independent audit of agreements among competitors. • The process for designing the scheme will have adhered to guidelines on collaborative activities between competitors as issued by the Commerce Commission, including but not limited to applying for collaborative activity clearance from that Commission (eg, Commerce Commission, 2018a, 2018b, 2018c, and 2019).

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
		market share and 'picking winners' will be of concern.	
Role of sectors	<p>WMA section 14</p> <p>To qualify for accreditation, a product stewardship scheme must:</p> <p>(d) list the classes of person involved in the design, manufacture, sale, use, servicing, collection, recovery, recycling, treatment and disposal of the product</p> <p>(e) list the persons who have agreed to participate in the scheme and assign responsibility to them for meeting the scheme's objectives.</p>	<ul style="list-style-type: none"> Clarify roles of sectors. 	<p>Already covered in WMA.</p>
Stakeholder engagement and collaboration		<ul style="list-style-type: none"> Effectively engage with stakeholders – use a collaborative approach, address concerns. Build on the strength of existing systems, infrastructure and networks (eg, sharing resources between product types). 	<ul style="list-style-type: none"> The scheme will specify how wider stakeholders will be involved in decision-making by governance group (eg, use of stakeholder advisory groups). The scheme will have been designed with active engagement of the stakeholders currently involved in the product end of life (eg, collectors and recyclers). The scheme will specify how existing collection and processing infrastructure and networks will be maximised and new infrastructure and networks co-designed and integrated between product groups.

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
Targets	<p>WMA section 14</p> <p>To qualify for accreditation, a product stewardship scheme must:</p> <p>(c) set measurable waste minimisation, treatment, or disposal objectives for the product, and timeframes for meeting the objectives.</p>	<p>Targets should be regularly reviewed and adjusted, taking account of changes in the market and technology.</p>	<ul style="list-style-type: none"> • All schemes will be expected to set and report on targets that have the following characteristics: <ul style="list-style-type: none"> – significant, timely and continuous improvement – benchmarked against and aspiring to attain best practice recovery and recycling and treatment rates for the same product type in high-performing jurisdictions – a clear time bound and measurable path to move toward attaining best practice – targets for new product and market development to accommodate collected materials. • Results against targets will be publicly reported at least annually. • Material collection, recovery and disposal rates will be measured against one of the following: <ul style="list-style-type: none"> – actual trend data if the scheme has pre-existed as a voluntary scheme – the average aggregate weight or count of products sold into the market in the previous three reported years – another specified method where market entry information does not yet exist. • Plans will be specified for review, adjustment and reporting on performance targets, preferably annually and no less than every three years, taking account of changes in the market, natural events and technology.
			<ul style="list-style-type: none"> • A clear distinction will be made between funding arrangements and market capacity to manage both potential high volume legacy

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
			<p>and orphaned product collections in earlier years and ongoing continuous improvement of collection rates.</p> <ul style="list-style-type: none"> • Performance targets will include measures for public awareness of scheme participant satisfaction and a record of response by the scheme to concerns raised. This will be made available to scheme auditors.
Timeframes			<ul style="list-style-type: none"> • The timeframe within which an application for accreditation or reaccreditation of the priority product scheme is expected to be made after declaration of priority product is as follows: <ul style="list-style-type: none"> – priority product categories with existing accredited voluntary schemes (eg, refrigerants, agrichemicals, farm plastics, packaging): within one year from the date of priority product declaration – priority product categories with accreditation proposals that have been developed with a multi-stakeholder consultation process, including as a minimum producers, local authorities, major users and existing collectors and recyclers (eg, tyres): within one year from the date of priority product declaration or the date of proposal completion, whichever comes later – other priority product categories: within three years from the date of priority product declaration. • Within the accredited seven-year period, at least one full review of scheme costs and effectiveness will be undertaken. The result of reviews and proposed scheme amendments to improve cost-effectiveness will be reported via the annual reporting process.
Market development			<ul style="list-style-type: none"> • The scheme will have a research and development budget to develop new recycled products, encourage transition to circular

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
Design for environment		<ul style="list-style-type: none"> • Producer fees should be differentiated by end-of-life costs of their products. • Provide supplementary incentives for eco-design elsewhere in the system (eg, procurement criteria, material content constraints). 	<p>product and recycled product materials design, and cooperate with other stakeholders to enhance onshore infrastructure.</p> <ul style="list-style-type: none"> • The scheme will contain financial or other incentives for diversion of collected products to highest and best resource use, weighted for applications higher up the 'waste hierarchy' (in priority order: reduction, reuse, recycling or composting, energy recovery, safe treatment and disposal). • The fees paid by a producer to a collective scheme will, as far as possible, be linked to actual end-of-life treatment costs of their products, such as through variable or modulated fees. • The scheme will facilitate good communication, feedback and incentives between designers, manufacturers, sales and marketing teams, distributors, retailers, consumers, collectors, recyclers and end disposal operators, to inform improved design of products and systems. • The scheme will fund initiatives to improve circular resource use by reducing the 'end-of-life' components of the product(s) and improving design for reusability and recyclability of the priority product(s).
Performance standards, training and certification		<ul style="list-style-type: none"> • Assure quality of resource recovery to assure net benefit (both domestic and overseas). 	<ul style="list-style-type: none"> • The scheme will have clear means for ensuring adequate training and certification of all people recovering and managing that product throughout its life cycle in New Zealand, to ensure best practice in prevention and reduction of harm to people and the environment. • Any relevant standards for best practice will be referenced in training, supplier accreditation and monitoring (eg, AS/NZS 5377 for e-waste collection and processing). The scheme will participate in the development and revision of relevant standards.

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
Reporting and public accountability	<p>WMA section 14</p> <p>To qualify for accreditation, a product stewardship scheme must:</p> <ul style="list-style-type: none"> (i) provide for assessing the scheme’s performance and for reporting on its performance to the Minister (j) set out a strategy for publication of the scheme (k) set out how information will be provided to purchasers, users and handlers of the product to which the scheme relates. 	<ul style="list-style-type: none"> • Ensure transparency of performance and cost data. • Transparency is required for scheme participants, consumers and the public on the performances and costs of the scheme. • Ensure regular, preferably independent, audits of scheme performance. • Harmonise definitions and reporting between schemes and countries. 	<ul style="list-style-type: none"> • The scheme will have clear chain of custody arrangements to monitor processing of materials and reduction of harm both onshore and offshore, including annual reporting of findings. • The scheme will provide for clear, regular and open reporting and communication with stakeholders. • Annual reports will be made public. These will include measurement of outcomes and achievement of targets, fees collected and disbursed, and net cash reserves held as contingency. • Provision will be made for regular independent financial, compliance, enforcement and environmental audits of scheme performance. • Scheme plans will address the following: data availability (especially when several product stewardship organisations are in competition); materials’ traceability; and precise definition for data collection and reporting (eg, recycling rates and operational costs). • The scheme will have mechanisms to protect competitive information relating to detailed operational costs (eg, ‘black box’ data collection by third party with aggregate reporting). • Scheme performance measures will be harmonised between schemes, as far as possible.
Public awareness			<ul style="list-style-type: none"> • Branding and clear information on how and why the scheme operates will be easily available at the point of distribution (intercompany) and purchase (consumer), point of waste product collection and online, and a link to the online information will be on the product or product packaging. • The scheme will provide for transparent product stewardship fees at point of purchase.

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
			<ul style="list-style-type: none"> The scheme will ensure that consumer labelling standards for the product are complied with (eg, Hazardous Substances and New Organisms Act 1996 for hazardous substances). The scheme will regularly measure and report on public awareness and scheme participant satisfaction, and improvements will be made accordingly.
Accessible collection networks			<ul style="list-style-type: none"> The scheme will provide for an end-of-life product collection system that is reasonably accessible for all communities generating that waste product, whether metropolitan, provincial and rural. Collection will be free to the public (fully funded by the scheme) for all products covered by the scheme. Collection will be based on the product, not proof of purchase. Collections will, as far as possible, share infrastructure and public information with other collection schemes in the area.
Monitoring, compliance and enforcement	<p>WMA section 14(h) Identify the processes for compliance and enforcement of any agreements between participants to the scheme.</p>	<ul style="list-style-type: none"> The Government and obligated industry should be co-responsible for the monitoring and surveillance of extended producer responsibility schemes, and should ensure that adequate means for enforcement are in place. Monitoring and enforcement framework must be adequately resourced and involve both government and producers. For mandatory systems, the Government should establish a 	<ul style="list-style-type: none"> The scheme will have a clear means of enforcing compliance of all participants and reporting liable non-participants to the government enforcement agency. The scheme will have strategies to reduce 'leakage' of higher value end-of-life products (eg, 'cherry-picking' of e-waste components by informal collectors). Enforcement of WMA regulations will be by the Government. Revocation of accreditation is possible under WMA section 18, if reasonable steps are not being taken to implement the scheme and the scheme's objectives are not being met or are not likely to be met within the timeframes set out in the scheme.

Design feature	Existing WMA requirements for product stewardship scheme accreditation (sections 13, 14 and 15)	Recommendations in published overseas analysis of case studies ¹⁴	Proposed guidelines for priority product scheme accreditation (using WMA section 12)
		<p>credible and consistent enforcement framework including, in addition to official accreditation of schemes, registers of producers and appropriate sanctions.</p> <ul style="list-style-type: none"> Free-riding should be addressed through peer pressure and strict enforcement with suitable sanctions. 	<p>Note: the overseas case study recommendations are about resourcing by the Government, which is not a criterion that product stewardship schemes need to meet for accreditation.</p>
Liability and insurance			<ul style="list-style-type: none"> The scheme will have clear chain of custody arrangements to monitor receipt and processing of materials and reduction of harm both onshore and offshore, including annual reporting of findings. The scheme will ensure liability of parties is clear for each stage of product and materials handling and adequate insurance for liability is in place at each stage.
Complementary policies		<ul style="list-style-type: none"> Provide incentives for waste minimisation elsewhere in the system (eg, 'pay as you throw' municipal systems, disposal levies, landfill bans, public procurement). 	<p>Overseas case study recommendations are about other action by the Government, which is not a criterion that product stewardship schemes need to meet for accreditation.</p>

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Thank you for your submission

Your submission has been sent to Ministry for the Environment.

A summary of your submission is shown below:

Helen Gerrard, **Taranaki Regional Council**

Cloten Road

Stratford 4352

Taranaki

New Zealand

Ph: 0800736222

helen.gerrard@trc.govt.nz

Reference no: 2489

Submitter Type: Local Government

Overall Position: Support

Clause

Q1(a): Do you agree with declaring as priority products: all pneumatic (air-filled) tyres and certain solid tyres for use on motorised vehicles (for cars, trucks, buses, motorcycles, all-terrain vehicles, tractors, forklifts, aircraft and off-road vehicles). Why? Why not?

Position

Yes

Notes

We support the proposed inclusion of (all) end-of-life tyres as a priority product. TRC has not had to address the significant stockpiling of tyres, as have other regions such as Waikato and Canterbury, however the disposal and aggregation of tyres remains a concern. With consideration to TRC's regulatory responsibilities, inappropriate disposal of tyres has significant potential to result in contamination of the coastal marine area, water or air. Regional Councils have limited ability to implement measures to prevent the inappropriate storage of tyres and therefore while we are empowered by the NES to respond to fire events, regional councils have limited means to mitigate the source of these events. As such, TRC is supportive of the current guidance that has been developed by Waikato Regional Council at <http://www.waikatoregion.govt.nz/services/regional-services/waste-hazardous-substances-and-contaminated-sites/solid-waste/tyre-disposal/end-of-life-tyres/> Fire fuelled by tyres are notoriously difficult to control and result in air pollution with the potential of significant adverse effects on human and environmental health. These effects may be significant even from just one lit tyre. The fact that tyres are ubiquitously traded, used and disposed of throughout the Taranaki community exacerbates the issue. For example it is probable that there are thousands of tyres stored in places where if these caught alight, they could cause significant environmental or human health consequences due to their proximity to sensitive receptors. In addition stockpiling of tyres may be undertaken in warehouses whereby visibility to local government or the public of the potential issue is limited. The warehousing practice may impact on warehouse owners who are oblivious to the potential issue and who may be left with the clean up if the tenant abandons the lease. Warehousing is just as much an environmental issue as stockpiling in the open air, as the risk of air pollution from fires is equal, however at least with open air stockpiles, they are more readily identified. With this considered, the regulatory tools available to Councils are too blunt and don't effectively deal with these risks. TRC recognises that the incentivisation of the disposal of end of life tyres would be the single most effective means to improve this situation. TRC recognises that the product stewardship scheme would have challenges given the high volumes of tyres presently stored or in use, as well as the potential for tyres to enter New Zealand via multiple channels such as tyres on imported

vehicles. TRC have received and responded to approximately 60 complaints mentioning tyres over the last 20 years. Most of these relate to fly tipping or small fires, a few larger tyre fires have also been recorded (TRC reference 2322900).

Clause

Q2(b): Do you agree with declaring as priority products: all pneumatic and solid tyres for use on bicycles (manual or motorised) and non-motorised equipment. Why? Why not?

Position

Yes

Notes

As above

Clause

Q2(a): Do you agree with declaring as priority products: all large rechargeable batteries designed for use in electric vehicles, household-scale and industrial renewable energy power systems, including but not limited to lithium-ion batteries. Why? Why not?

Position

Yes

Notes

TRC agrees that these products should be classified as priority products. While TRC supports this with consideration of the activities of the District Councils and Regional Waste Minimisation Officer, we also recognise that this category (electrical and electronic products) has a direct impact on how the Council operates. Presently the Council has been investigating electrifying its fleet. The options and availability of battery disposal is a concern that has been raised in terms of the net environmental improvement of moving to PHEVs or EVs.

Clause

Q2(b): Do you agree with declaring as priority products: all other batteries (eg, batteries designed for use in hand-held tools and devices). Why? Why not?

Position

Yes

Notes

Presently TRC requires many water take consent holders to telemeter their data – this involves a significant volume of batteries and electronic equipment to be operated. TRC officers are increasing their use of battery powered electronics and field devices and the expected direction of travel on the use of these is positive. Therefore improving the options around safe and efficient battery and electronic product disposal are important to us.

Clause

Q2(c): Do you agree with declaring as priority products: all categories of waste electrical and electronic equipment (WEEE) defined in Annex II of European Directive 2012/19/EU (eg, 'anything that requires a plug or a battery to operate'). Why? Why not?

Position

Yes

Notes

Fly tipping is an issue that the Council has limited ability to control as often the responsible party cannot be identified. Due to the costs associated with disposal of whiteware and large electronic devices these are often encountered at illegal dumping sites. While TRC has a good monitoring programme in place for

closed and this (refer to the agenda for the August 2019 Tararua Solid Waste Management Committee Meeting), it recognises the risk of leachate and the difficulties in management of leachate from these sites on the surrounding environment. Electronics frequently contain contaminants that pose a significant risk if discharged to the environment. Therefore landfilling electric and electronic products is not our preferred option for disposal of these.

Clause

Q3(a): Do you agree with declaring as priority products ? Chemicals in plastic containers up to and including 1000 litres in size that are used for: horticulture, agricultural and livestock production, including veterinary medicines, industrial, utility, infrastructure and recreational pest and weed control, forestry, household pest and weed control operations, similar activities conducted by or contracted by local and central government authorities? Why? Why not?

Position

Yes

Notes

TRC agrees that these products should be classified as priority products. TRC frequently receives public enquiries around disposal of agricultural chemicals (both domestic and farm use). TRC supports the Agrecovery initiative and has recently provided some funding support to this scheme. Similarly to tyres, TRC is primarily concerned about the inappropriate disposal of these chemicals and the potential risk associated with long term storage (risk of a fire or spill event). TRC undertakes significant work primarily through the use of contractors around weed and pest control. Therefore large volumes of herbicides and toxins are used in our activities. Disposal of unused chemicals is undertaken through a single contractor presently. There is concern that if this contractor left the market, alternative options would be limited. This largely relates to the necessary requirements around handling of these substances and the knowledge capital which is limited to the pool of contractors available. Product stewardship would be a good mechanism to ensure effective and safe disposal option remain available.

Clause

Q4(a): Do you agree with the declaring as priority products: all gases used for heating, cooling and air conditioning that are ozone depleting substances under the Ozone Layer Protection Act 1996 and/or synthetic greenhouse gases under the Climate Change Response Act 2002, and products containing these gases. Why? Why not?

Position

Yes

Notes

TRC agrees that these products should be classified as priority products. TRC supports practicable initiatives that will enable New Zealand to make further progress on its obligations under the Paris Agreement and the Kigali Amendment to the Montreal Protocol.

Clause

Q4(b): Do you agree with the declaring as priority products: methyl bromide and products containing this gas. Why? Why not?

Position

Not sure

Notes

Clause

Q5(a): Do you agree with declaring beverage packaging as priority products: packaging used to hold any beverage for retail sale that has more than 50 millilitres and less than 4 litres of capacity, made of any material singly or in combination with other materials (eg, plastic, glass, metal, paperboard or mixed laminated materials). Why? Why not?

Position

Yes

Notes

TRC agrees that these products should be classified as priority products. Through our engagement with the Taranaki Solid Waste Management Committee, it is evident that a number of challenges around appropriate disposal of packaging remain unresolved despite significant effort to address these. This includes limitations around recycling capabilities for some plastics (e.g. mixed material products, irregular shaped plastics, bottle lids), markets for recyclables and contamination of recyclables. The prioritisation of these products and implementation of stewardship scheme is likely to significantly progress some of these limitations.

Clause

Q5(b): Do you agree with declaring single-use plastic consumer goods packaging as priority products: packaging used for consumer goods at retail or wholesale level made of plastic resin codes 1, 2, 3, 4, 5, 6 or 7, singly or in combination with one or more of these plastics or any non-plastic material, and not designed to be refilled. Why? Why not?

Position

Yes

Notes

As above

Clause

Q6(a): Do you agree with declaring as priority products: plastic wrapping materials used for silage or hay, including but not limited to baleage wrap, hay bale netting, baling twine, and covers for silage pits. Why? Why not?

Position

Yes

Notes

TRC agrees that these products should be classified as priority products. We have a long history of involvement with the Taranaki farming community. We are aware of the challenges faced by this community in regards to the disposal of farm plastics.

Clause

Q6(b): Do you agree with declaring as priority products: plastic packaging used for agricultural and horticultural commodities including but not limited to fertiliser sacks, feed sacks, and bulk tonne bags made from woven polypropylene and/or polyethylene. Why? Why not?

Position

Yes

Notes

As above

Clause

Q6(c): Do you agree with declaring as priority products: other plastic packaging and products used for agriculture and horticulture including, but not limited to, protective nets, reflective ground covers, and rigid

Policy and Planning Committee Submissions on Proposed Priority Products and Priority Product Stewardship Scheme Guidelines
 plastic containers other than containers for agrochemicals, detergents, lubricants or solvents. Why? Why not?

Position

Yes

Notes

As above

Clause

Do you agree with the proposed guidelines for priority product stewardship schemes outlined in table 3 of the public consultation document? Why? Why not?

Position

Not sure

Notes

We are not sure on our position on this, as TRC is unlikely to be a supplier or the operator of a product stewardship scheme. It is noted in design feature 1 Intended objectives and Outcomes and in 8 Targets that the issue of legacy/'orphan' wastes is raised. We agree with the suggested approach and emphasise our position that the burden (costs) associated with these must not fall back on local government, if central government is imposing compulsory controls. Any current funding to product stewardship schemes from the Waste Minimisation Fund should be considered. Would this fund still be available to offset some of the costs associated with orphaned or legacy products? Given the pressures that NZ consumers face, affordability of products is important and should be a criteria considered in the guidelines. For example if the cost of vehicle tyres increases to the point that consumers delay replacing the tyres on their vehicles, then this could result in unanticipated, negative outcomes. Under the stakeholder design feature, tangata whenua involvement in the co-design process is not specified, although we note that this is referred to as a requirement earlier in the consultation document. The guidelines set out a thorough approach to ensure that schemes are designed and operated transparently and efficiently, but it is difficult to interpret how these will perform once rolled out. The guidelines don't require an outline of the scheme's strategy, nor do they require that the scheme's design is tested or prototyped. Customer engagement in the design phase of the scheme will improve the likelihood of the scheme's ultimate success and therefore we encourage some consideration be given to requirements around this.

Clause

Any other comments you wish to share.

Notes

TRC collaborates with the three Taranaki district councils on waste related matters through the Solid Waste Management Committee and the work of the Regional Waste Minimisation Officer. In a previous submission (July 2014) on priority products, TRC agreed and supported the information put forward in the joint submission by the District Councils. That submission was supportive of all the proposed product stewardship categories (suggesting that used motor oil also be included which is now noted to be partially managed through the R.O.S.E scheme) and encouraged a shift of responsibility back from local government to industry using the product stewardship mechanism available through the WMA 2008. TRC remain supportive of the District Councils in regards to these products being classified as priority products and extends our support to the new product – Packaging.

Close this page to return to the Ministry for the Environment website.

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Submission on a proposed National
Policy Statement on Highly Productive
Land**

Approved by: AD McLay, Director – Resource Management
BG Chamberlain, Chief Executive

Document: 2351244

Purpose

1. The purpose of this memorandum is to introduce a submission made by Officers of the Council to a proposed *National Policy Statement on Highly Productive Land* and to recommend that it be endorsed by the Council.

Executive summary

2. At the last meeting of the Committee before the local body elections in October 2019, the Committee recommended the Council make a submission on a proposal for a *National Policy Statement on Highly Productive Land*.
3. The submission has since been sent to meet the 10 October 2019 deadline noting that it will be considered by the Committee at this meeting and that any changes agreed at the meeting will be forwarded to the Ministry for Primary Industries.
4. The intent of the proposed NPS is to provide clarity on how highly productive land should be managed under the Resource Management Act. The discussion document states that urban expansion and lifestyle development onto highly productive land are precluding the use of this land for primary production. The preferred option to address the problem is a NPS where all councils will be required to map areas of highly productive land and include these areas in regional policy statements and district plans.
5. The submission considers that the problem statement in the discussion document has not been defined with sufficient accuracy to justify a NPS that will apply equally to all parts of the country. There are high costs to all councils in doing the work required by the proposed NPS when this work may not be necessary. The submission calls for a more in-depth analysis of the costs and benefits of introducing a NPS on protecting highly productive land be undertaken.

6. The submission maintains that the proposed *National Policy Statement on Highly Productive Land* could be merged with the proposed *National Policy Statement for Urban Development*, as there are strong overlapping matters that require consideration between the two NPSs.

Recommendations

That the Taranaki Regional Council:

- a) receives the memorandum '*Submission on a proposed National Policy Statement on Highly Productive Land*'; and
- b) endorses the submission.

Background

7. Previous Members of the Committee will recall receiving a memorandum on a discussion document proposing a *National Policy Statement on Highly Productive Land* at the last meeting of this Committee held prior to the local body elections in October.
8. That memorandum recommended that the Council make a submission on the discussion document by the closing date of 10 October 2019. The submission (attached to this memorandum) noted that the submission was made by Officers on behalf of the Council and that any changes agreed at this meeting of the Committee would be forwarded to the Ministry for Primary Industries.
9. To recap briefly, the intent of the proposed *National Policy Statement on Highly Productive Land* (NPS) is to provide clarity on how highly productive land should be managed under the Resource Management Act.
10. The discussion document '*Valuing highly productive land*', states that urban expansion onto highly productive land and fragmentation of land for rural lifestyle developments are precluding the use of highly productive land for primary production for the benefit of New Zealand. Some councils have stated that it is difficult to give sufficient weight to protecting highly productive land when there is no specific mention of it in the RMA or in national policy instruments.
11. The preferred option put forward in the discussion document, is a NPS. Under the proposed NPS, regional councils are to identify land that is classified as Class 1, 2, or 3 under the Land Use Capability classification system (LUC) as a 'default' position. This will be until regional councils are able to complete a full assessment (to be completed within three years) excluding some of this land or including additional land not recognised under the LUC system.
12. These areas are to be mapped and included within regional policy statements (RPSs). Territorial authorities must then amend their district plans to include these areas along with detailed land use and subdivision controls to manage new urban development and rural subdivision to protect highly productive land from inappropriate subdivision and use.

The submission

13. Following on from the discussion at the 3 September 2019 meeting of the Committee, the attached submission considers that the problem statement in the discussion document has not been defined with sufficient accuracy to justify a NPS that will apply equally to all parts of the country.
14. While the submission agrees that New Zealand's most productive land is coming under increasing threat from urban and rural lifestyle development, it maintains that this pressure is mainly coming from growth in our major urban centres or high growth areas. In other areas, loss of highly productive land to urban growth or lifestyle development is not a major issue that would require the same level of regulatory intervention at the national level.
15. The submission calls for a more in-depth analysis of the costs and benefits of introducing a NPS on protecting highly productive land to be undertaken. This should look closely at the scale and impact of the problem and where more directive policies might apply, rather than employ a blunt 'one-size-fits-all' solution that has all councils carrying out costly and time-consuming mapping and analysis that in many cases will not be required.
16. In support of this view, the submission notes that in Taranaki we have large areas of land classified as Land Use Capability (LUC) classes 1-3. At a regional scale, these areas are not under serious threat of being lost to urban expansion.
17. We have therefore suggested in the submission that detailed mapping with associated policies could be applied to major urban centres or high growth districts with high proportions of highly productive or versatile land that is at risk from urban development. More general requirements, that still required highly productive land to be considered in the decision-making process, could apply to other areas. This would give the issue the prominence that some councils have called for.
18. The submission maintains that the proposed *National Policy Statement on Highly Productive Land* could be merged with the proposed *National Policy Statement for Urban Development* (which does focus national regulatory intervention on high growth areas), as there are strong overlapping matters that require consideration between the two NPSs.
19. The main issue that the submission addresses is the high cost to councils and practicality of doing the work required and changing policy documents with all councils subject to lengthy and costly public consultation and appeal processes, when this work may not be necessary.

Decision-making considerations

20. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

21. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

22. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

23. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

24. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Attachment

Document 2320838: Submission on a proposed National Policy Statement on Highly Productive Land.

9 October 2019
Document: 2320838

Ministry for Primary Industries
PO Box 2526
WELLINGTON 6140
Email submissions to: soils@mpi.govt.nz

Submission on a proposed National Policy Statement on Highly Productive Land

Introduction

1. The Taranaki Regional Council (the Council) thanks the Ministry for Primary Industries for the opportunity to make a submission on a proposed *National Policy Statement on Highly Productive Land* (NPS HPL or NPS).
2. The Council makes this submission in recognition of the purpose of local government set out in the *Local Government Act 2002*, and the role, status, powers and principles under that Act relating to local authorities. In particular, the Council's comments are made in recognition of its:
 - functions and responsibilities under the *Local Government Act 2002* and the *Resource Management Act 1991* (RMA); and
 - its regional advocacy responsibilities whereby the Council represents the Taranaki region on matters of regional significance or concern.
3. The Council has also been guided by its Mission Statement '*To work for a thriving and prosperous Taranaki*' across all of its various functions, roles and responsibilities, in making this submission.
4. This submission has been made by Officers on behalf of the Council, as a result of timing constraints associated with local body elections. This submission has therefore yet to be formally endorsed by the Council. The Policy and Planning Committee of the Council next meets on 19 November and will consider the submission. If any changes are made to the submission following this meeting they will be immediately forwarded to the Ministry.
5. The Council continues to work closely with district councils in the region in the interests of promoting the integrated management of resources and has consulted with district councils in the region in making this submission.
6. The Council notes that feedback on the discussion document is sought on the policy intent of the objectives and policies rather than the specific wording of the proposed objectives and policies in the proposed NPS.

Problem statement

7. The Council agrees that New Zealand's most productive land is coming under increasing threat from urban and rural lifestyle development and that this trend is cause for concern, particularly in high growth areas.
8. However, general statements in the discussion document '*Valuing highly productive land*' state that there is a lack of clarity on how highly productive land should be managed under the RMA. This is stated to be leading to highly productive land being given inadequate consideration under the RMA with more weight being given to other matters and priorities which in turn, is leading to uncoordinated urban expansion and fragmentation of highly productive land when alternative locations may be available.
9. The Council acknowledges that there is a lack of specificity on how highly productive land should be managed and for what purposes under the RMA. However, this is also the case for many other resources in that the RMA does not state what the most (or least) favourable use of the resource is.
10. The Council questions the reasons why the protection of highly productive land is 'being given inadequate consideration under the RMA' when there is ample opportunity under the Act now, to protect highly productive land from urban expansion and lifestyle development through regional policy statements and district plans. If loss of this land is an issue the Council would expect councils to have considered the relevant statutory provisions, to have analysed the costs and benefits of a range of alternative options to deal with that issue and to have developed an appropriate policy or regulatory response.
11. The discussion document notes that a number of councils already have very good district plan provisions for the protection of highly productive land (i.e. through recognition of versatile soils in district plans).
12. In developing its *Regional Policy Statement for Taranaki (RPS)*, the Council looked at this issue and after public consultation, concluded that it was not an issue of regional significance that required a separate and specific policy response.
13. In 2010, the Council also undertook a review of its RPS, as well as completing an interim review in 2017. In both cases the protection of highly productive land for primary production was again not identified as an issue that needed a specific or detailed regional level policy response of the sort contemplated by the proposed NPS. Furthermore, making the protection of highly productive land for primary production an explicit goal via a NPS may or may not alter the outcome being sought. This is because in many cases where this issue has arisen, there are significant population growth pressures, very real constraints on where urban development can be located and a lack of feasible alternative options.
14. The Council submits that a more in-depth analysis of the costs and benefits of introducing a NPS on protecting highly productive land for primary production be undertaken. This should look closely at the scale and impact of the problem and where such policies might apply, rather than employ a blunt 'one-size-fits-all' solution that has all councils carrying out costly and time consuming mapping and analyses that in many cases will not be required. Further comment on this is provided below.

15. The Council agrees that urban expansion and fragmentation is occurring within areas of highly productive land. However, this issue requires careful consideration in formulating an appropriate response, if unintended consequences are to be avoided. The Council raises for consideration whether a national policy statement seeking to protect such land from 'inappropriate development' would in fact see a major shift of urban development to alternative locations, where the total resource costs of development (including infrastructure and commuting costs, access to employment and services, climate change impacts etc.) are likely to be much higher and be in areas where people may well choose not to live.
16. The fact is that many of our towns and cities are surrounded by highly productive land and face limited choices in trying to accommodate high urban growth demands but to expand onto immediately surrounding land. The Council acknowledges that more attention can and should be focused on building up (higher urban densities) as well as building out and to redirecting rural lifestyle developments to less highly productive land. Such policies will assist with this issue.
17. However, the protection of highly productive land, if it is made a national priority in a NPS, may result in unintended outcomes in terms of unfulfilled housing demands, affordability and supply problems in the face of rapidly expanding populations in some areas.
18. The Council considers that it may be better to adopt a more nuanced NPS that targets some areas with more directive policies (while still offering flexibility to provide for urban growth on highly productive land in appropriate circumstances), and other areas where the protection of highly productive land is a matter to be considered in decision-making under the RMA (see below). This would give the issue the prominence that some councils are calling for without predetermining what a full analysis may reveal as a preferred option for urban expansion in particular cases.
19. The Council therefore strongly believes that the NPS could be effectively merged with the *National Policy Statement for Urban Development* (NPS UD), as there are strong overlapping matters for consideration between the two NPS's. At the very least, greater consideration needs to be provided for the inter-relationships between these two national planning documents.

Should a NPS apply everywhere or only to certain areas

20. The discussion document (page 52) recognises that the nature of highly productive land and the pressures on it vary considerably between regions and within regions. To assist with implementation and to focus efforts where the pressures are greatest, the discussion document suggests that the NPS could apply certain policies to different areas.
21. The Council agrees with these statements.
22. In Taranaki, we have large areas of land classified as Land Use Capability (LUC) classes 1-3 (see map in Attachment 1). At a regional scale these areas are not under serious threat of being lost to urban expansion or lifestyle block fragmentation. Extending the definition of 'highly productive land' to other less versatile land use classes would not be a regionally significant issue for Taranaki.

23. The only area in Taranaki where there is significant population and lifestyle growth pressure is in and around New Plymouth but here future urban growth areas have been carefully selected by the New Plymouth District Council in relation to existing urban centres and a range of other factors.
24. The Council considers that a 'one size fits all' approach to the issue of the loss of highly productive land will lead to over regulation in many cases. The Council submits that the NPS could require detailed mapping with associated policies to be applied to major urban centres or high growth districts with high proportions of highly productive or versatile land. More general requirements, that still required highly productive land to be considered in the decision-making process, could apply to some or all other areas. This would target the main or substantive policy response to those areas where there are known or likely foreseeable issues, and not subject other areas to unnecessary costs.
25. This approach would be consistent with the proposed *National Policy Statement on Urban Development*. This proposed NPS targets the most directive policies to our largest and fastest growing urban areas while for smaller local authorities who do not face the land use pressures of the faster growing areas have lesser obligations.

High costs of doing the work

26. The discussion document proposes that all regional councils will have three years to complete detailed mapping of highly productive land and amend their regional policy statements to include mapped areas and related objectives and policies. District councils will have five years to give effect to the NPS.
27. There will be significant costs to all regional councils in implementing the proposed NPS. For a start, the process of LUC mapping at 1:50,000 or 1:63,360 is not of sufficient resolution to accurately identify where mapped areas sit in relation to property boundaries. This will require considerable effort and financial resources to complete this work for all categories of highly productive land across the region and should be supported by central government.
28. The Council suggests that Council's share of this mapping exercise should be aligned with the development of long term plans so that the funding needed could be included in successive funding cycles.
29. In addition, councils will need to go through a plan change process to give effect to the NPS. The discussion document estimates that changes to RPSs are likely to be of the order of \$1.5 million on average. The Council has not estimated what these costs are likely to be in Taranaki, but they will be significant, unbudgeted and come on top of other policy directions from central government in freshwater management, urban development, product stewardship, indigenous biodiversity and three waters review (among others).
30. The costs and affordability of repeated and substantial new policy requirements being imposed on local government by central government is a serious issue that requires urgent attention. This issue was highlighted by the Productivity Commission in its recent report '*Local government funding and financing*' in which it found as follows:

'Central government is sometimes passing new responsibilities and functions on to local government without adequate analysis, including consideration of the range of council circumstances. This can result in regulation that is "one size fits all", making it unfit for purpose, or particularly costly to implement, in some localities' (page 257).

This is what the Productivity Commission has referred to as 'unfunded mandates'.

31. The Council therefore submits that a more targeted policy response focusing on those parts of the country where the loss of highly productive land has become or is likely to become an issue may be justified but should follow a more thorough investigation of the costs and benefits of regulatory intervention.
32. In other areas, standard policies could be developed as part of the NPS if a closer analysis of costs and benefits and alternatives justified that course of action. In these situations, the NPS could require that they be automatically included in RPSs without using the Schedule 1 process under the RMA. This would significantly decrease the implementation costs to councils.
33. An alternative approach that should also be investigated, is for central government itself to do the mapping work at the appropriate scale, to identify those areas that are at risk from further urban expansion and where feasible alternatives exist. After appropriate consultation, these areas could be included in a NPS. This approach would avoid the need for all regional councils and district/city councils to do this work independently, using different methods and techniques with each being subject to lengthy and costly public consultation and appeal processes.

Reverse sensitivity

34. The inclusion of a policy to require territorial authorities to amend their district plans to address reverse sensitivity issues is supported. The Council has experienced instances of sensitive or incompatible activities being established near primary production operations which have then caused problems for this Council in its resource consents processes. This is despite the operators adopting best practice methods of mitigating environmental effects.

Conclusion

35. The Taranaki Regional Council again thanks the Ministry for Primary Industries for the opportunity to comment on proposals for a national policy statement on highly productive land.
36. The Council believes that more work is required on the scale and impact of the problem and the likely benefits and costs of alternative regulatory responses before a final NPS is proposed.
37. The Council also submits that an NPS on highly productive land should be targeted to those areas where the pressures are greatest with perhaps more generalised policies applicable to other areas. The option of central government itself completing a comprehensive risk assessment and mapping exercise before embarking on a nationwide NPS should be given serious consideration.

38. The NPS could be effectively merged with the NPS UD, as there are strong overlapping matters for consideration between the two NPS's.
39. There are also high costs to all councils in completing the work proposed by the NPS and this comes on top of other unbudgeted work being directed to local government by central government. This situation requires attention by central government as a matter of urgency.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'A D McLay', with a horizontal line underneath.

A D McLay
Director - Resource Management

Attachment 1: Taranaki Land Use Capability classes 1-3



Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Submission on Proposed National
Policy Statement on Urban Development**

Approved by: A D McLay, Director – Resource Management
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Document: 2319337

Purpose

1. The purpose of this memorandum is to introduce a submission made to the Ministry for the Environment and Ministry of Housing and Urban Development on a proposed *National Policy Statement on Urban Development*, and to recommend its endorsement by the Council.
2. The submission was forwarded to the Ministry for the Environment by the deadline date of 10 October 2019.
3. A copy of the submission is attached to this memorandum for Members' information, along with a summary of the discussion document entitled *Planning for successful cities summary: An at a glance summary of the discussion document on a proposed National Policy Statement on Urban Development*.

Executive summary

4. In August 2019, the Government released a discussion paper, including a proposed *National Policy Statement on Urban Development* (the NPS-UD) for public consultation. The consultation period for this NPS-UD closed 10 October 2019.
5. The NPS-UD has been developed to provide direction to local authorities about when and how cities should plan for growth and how to do this well. Its aim is therefore to remove unnecessary restrictions on urban development and to allow for growth 'up' and 'out' in locations that have good access to existing services and infrastructure. The new NPS-UD will replace the current *National Policy Statement for Urban Development Capacity 2016*.
6. The NPS-UD is also part of a wide suite of national policy directives currently being developed and/or consulted on, such as: the proposed *National Policy Statement for Freshwater Management*, the proposed *National Environmental Standards for Fresh Water*, the proposed *National Policy Statement for Highly Productive Lands*, and the proposed *National Policy Statement for Indigenous Biodiversity*.

7. The Council's submission largely supports Government proposals set out in the discussion paper, with the main submission points being as follows:
- Overall support for the proposed NPS-UD - noting that it provides a more effective and targeted national policy framework addressing urban growth needs across New Zealand than what is currently prescribed by the *National Policy Statement for Urban Development Capacity 2016*.
 - Support the proposed NPS-UD's most directive policies applying to major metropolitan centres, i.e. Auckland, Hamilton, Tauranga, Wellington, Christchurch and Queenstown.
 - Support proposed NPS-UD requirements that would direct local authorities to enable high-density residential development in specified areas.
 - Several relatively minor changes are requested to some provisions of the proposed NPS-UD to better target local authorities with the jurisdictional responsibilities and capacity to monitor and plan for urban development.

Recommendations

That the Taranaki Regional Council:

- a) receives and notes the submission sent to the Ministry for the Environment on the proposed *National Policy Statement on Urban Development* by the due date of 10 October 2019; and
- b) endorses the submission on the proposed *National Policy Statement on Urban Development*, subject to any changes suggested by Members.

Background

8. Members will recall that a Productivity Commission inquiry recommended in 2015 that the Government prepare a national policy statement to help address resource constraints on urban housing and business development capacity. Under the *Resource Management Act 1991* (RMA), regional policy statements and plans must give effect to any national policy statement.
9. The *National Policy Statement on Urban Development Capacity* (NPS-UDC) then came into force in December 2016. The NPS-UDC set out national directions for regional and district councils to provide sufficient urban development and planning capacity for housing and business growth that match projected rises in population. The New Plymouth District Council and this Council have subsequently been collaborating and sharing the work associated with implementing the NPS-UDC since this date.
10. At the time that the NPS-UDC 2016 came into force, New Plymouth was initially identified as a 'medium-growth' urban area (with a projected population growth of 9.3% between 2013 and 2023). However, in late 2017 New Plymouth was confirmed to be a 'high-growth' urban area by Statistics New Zealand. Consequently, in accordance with the requirements of the NPS-UDC, both the New Plymouth District and Taranaki Regional Council were required to complete the following: quarterly monitoring reports, a three-yearly housing and business development capacity assessment, minimum targets for sufficient feasible development capacity for housing, and a future development strategy.

11. Based upon the findings of the three-yearly housing and business development capacity assessments, both councils were also required to agree and set minimum targets in their district plan or regional policy statement for sufficient feasible development capacity for housing in New Plymouth by the end of December 2018. However, while all other high growth urban areas had two years to meet these statutory deadlines, New Plymouth was only confirmed as a high growth area in August 2017 therefore shortening the timeframes available to achieve the deadlines set.
12. Consequently, despite the best of efforts, it was necessary to take extra time to deliver on these elements of the NPS-UDC implementation. It has also been a challenge to deliver on all the various monitoring and planning requirements demanded of 'high growth' councils. However, since the promulgation of the NPS-UDC, the New Plymouth district and Taranaki regional councils have:
 - prepared and published three *quarterly monitoring reports* of house prices, housing affordability and housing development, as well as business land (retail, commercial and industrial) and floor space for the New Plymouth district;
 - prepared a *Housing and Business Development Capacity Assessment Report (HBCA)* that forecasts demand and feasible development capacity for the New Plymouth district, as well as the likely take-up of capacity;
 - identified *minimum targets* for housing to inform the development of a *future development strategy*¹ and to be included in relevant regional policy statements and district plans.
13. On 21 August 2019, the Ministry for the Environment and Ministry of Housing and Urban Development then released the Government's discussion paper *Planning for successful cities: A discussion document on a proposed National Policy Statement*, which included significant new policy proposals of urban planning, including the replacement of the NPS-UDC with a new *National Policy Statement on Urban Development (NPS-UD)*.
14. Set out below is an overview of the key elements of the new NPS-UD and the Council's submission on the discussion paper.

New National Policy Statement for Urban Development

15. As part of the Government's Urban Growth Agenda, a proposed NPS-UD was published in August 2019. The NPS-UD aims to address the issues of growth pressures and timely provision of infrastructure by helping local authorities plan for how their cities develop, making room for growth while supporting quality urban environments. It has a broader focus than the NPS-UDC (i.e. beyond urban development capacity) to include other matters that contribute to well-functioning urban environments. It is therefore intended to:
 - give clear direction about planning for growth, and how to do this well;
 - support local government to apply more responsive, effective planning and consenting; and

¹ A draft *Future Development Strategy* has been developed on how population and housing growth will be enabled through district plans, long term plans and infrastructure strategies over the next 30 years but its publication was deferred when the need for the document was signalled to become superfluous due to impending Government reforms, i.e. a new national policy statement with new requirements.

- clarify for others (including developers and community members) the intended outcomes for urban development across New Zealand and within communities and neighbourhoods.
16. Table 2 of the proposed NPS-UD identifies those areas defined to be 'major urban centres'. They are Auckland, Hamilton, Tauranga, Wellington, Christchurch and Queenstown. This table does not include New Plymouth.
 17. Under the proposed NPS-UD, only major urban areas are required to prepare a future development strategy, undertake quarterly monitoring, prepare full three-yearly HBCAs, and include demand and additional margins estimates for urban growth in their plans.² For other urban areas (including New Plymouth) councils are only encouraged to undertake the aforementioned monitoring and planning responses.
 18. Other provisions of interest in the NPS-UD are policies aimed at ensuring councils remove unnecessary restrictions on urban development and to allow for growth 'up' and 'out' in locations that have good access to existing services and infrastructure. Appendix I outlines all proposed objectives and policies applicable to 'all urban environments'.
 19. The NPS-UD is also part of a wide range of national policy directives currently being developed and/or consulted on by the Government such as the proposed *National Policy Statement for Freshwater Management*, the proposed *National Environmental Standards for Fresh Water*, the proposed *National Policy Statement for Highly Productive Lands*, and the proposed *National Policy Statement for Indigenous Biodiversity*.

The submission

20. The proposed NPS-UD was released for public consultation on 21 August 2019, with submissions closing 10 October 2019. The Council made a comprehensive submission in response to this deadline date on 9 October 2019, however due to time constraints associated with local body elections this submission had to be developed by Officers on behalf of the Council.
21. The attached submission largely supports Government proposals set out in the discussion paper and notes that they provide an effective and improved framework to enable New Zealand cities to adapt and respond to the diverse and changing needs of all people, whanau, communities and future generations than what is currently prescribed by the current NPS-UDC.
22. Key points made in the submission are as follows:
 - Support for nationally aligned direction to enable New Zealand cities to adapt and respond to the urban growth demands.
 - It was agreed that there are differing urban development 'problems' that need to be addressed across New Zealand, with regulatory 'solutions' or costs targeted to specific areas.
 - Overall support for the proposed NPS-UD was provided - noting that it provides a much more targeted and therefore effective framework for managing urban development growth across New Zealand by changing its focus to defining urban environments as either 'major urban centres' or 'all urban environments'.

² The term 'bottom line' replaces the previous use of 'targets' specified in the current NPS-UDC.

- Strong support was provided for the proposed NPS-UD adopting a more targeted national approach by focusing on those areas facing significant urban growth issues such as Auckland, Hamilton, Tauranga, Wellington, Christchurch and Queenstown (i.e. as 'major urban centres').
- The on-going obligations and costs placed on Councils were noted as a concern, with a request for on-going support to be provided to assist with implementation.
- It was noted that the proposed NPS-UD provides a more appropriate, targeted and effective policy guidance, structure and framework within which local authorities can set or delineate targets for future growth.
- A number of relatively minor changes to some provisions of the proposed NPS-UD were sought to better target local authorities with the jurisdictional responsibilities and capacity to monitor and plan for urban development i.e. territorial authorities rather than both district and regional councils (which occurs whenever adopting the term 'local authority').

23. Members should note that the attached submission is consistent with previous submissions made on Government proposals on urban development in that monitoring and planning requirements to give effect to any NPS-UDC or NPS-UD should largely lie with territorial authorities and should focus on those urban areas experiencing problems with urban growth.

Decision-making considerations

24. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the Act.

Financial considerations—LTP/Annual Plan

25. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

26. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002* and the *Resource Management Act 1991*.

Iwi considerations

27. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

28. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Appendix I: Proposed NPS-UD policies and objectives relevant to Taranaki
Document 2367895: Submission on *Proposed National Policy Statement on Urban Development*
Document 2329915: *Planning for successful cities summary: An at a glance summary of the discussion document on a proposed National Policy Statement on Urban Development.*

Appendix I: Proposed NPS-UD policies and objectives applicable to Taranaki

The following proposed NPS-UD objectives and policies are applicable for all urban environments (not just the major urban centres):

Proposed objectives/policies

- O1: To ensure long-term strategic planning, reflected in planning documents, provides for: integrated land use and infrastructure; and quality urban environments.
- O2: To enable quality urban environments that make it possible for all people, whānau, communities and future generations to provide for their well-being, including by:
- offering people access to a choice of homes that meet their demands, jobs, opportunities for social interaction, high-quality diverse services and open space
 - providing businesses with economies of scale, with access to many consumers, suppliers, skilled people and sources of innovation
 - using land, energy and infrastructure efficiently
 - responding to changing needs and conditions.
- O3: To enable development in locations and in ways that maximise its positive contribution to, and minimise its negative impact on, quality urban environments.
- P2A: When making planning decisions that affect urban development, and the way and rate at which development capacity is provided, local authorities must have particular regard to:
- enabling a range of dwelling types and locations, working environments and business locations
 - limiting as much as possible adverse impacts on the competitive operation of land and development markets.
- When making decisions on consent applications that affect urban development, and the way and rate at which development capacity is taken up, decision makers must have regard to the need, consistent with this NPS, to:
- provide a range of dwelling types and locations, working environments and business locations
 - limit as much as possible the adverse impacts on the competitive operation of land and development markets.
- P2B: When making or updating policies, plans and strategies, local authorities must have particular regard to:
- the positive impacts of urban development to contribute to a quality urban environment as described in O2
 - the benefits and costs of urban development at national, inter-regional, regional and district scale, as well as locally.
- When making decisions on consent applications, decision-makers must have regard to:
- the positive impacts of urban development to contribute to a quality urban environment as described in O2 and
 - the benefits and costs of urban development at national, inter-regional, regional and district scale, as well as locally.
- O4: Urban environments provide for the diverse and changing amenity values of individuals and communities.
- P3A: In making planning and consent decisions, decision-makers must recognise that amenity values:
- vary among individuals and communities
 - change over time.
- O5: To ensure local authority policies, plans and strategies enable enough opportunities for development to meet diverse demands for housing and business land.
- P4A: Local authorities must ensure at all times their plans enable at least enough development capacity that is feasible and likely to be taken up to meet the demand for dwellings (in terms of location, typology and price) and business land (in terms of location, floor area and extent of land) over the short, medium and long term. A local authority meets these obligations by ensuring:
- Short term – that the development capacity is enabled by resource management plans and serviced with development infrastructure
 - Medium term – that the development capacity is enabled by resource management plans and either:
 - is serviced with development infrastructure, or
 - the funding for the development infrastructure required to service that development capacity must be identified in a Long Term Plan required under the Local Government Act
 - Long term – that:
 - the development capacity is identified in all relevant plans and strategies (including the FDS)

- ii. the development infrastructure required to service it is identified in the relevant Infrastructure Strategy required under the Local Government Act 2002.
- P4B: As soon as a local authority determines that it cannot provide the required development capacity, it must notify the Minister.
- P4C: In providing development capacity, a local authority must be satisfied that the other infrastructure required to support urban development is, or is likely to be, available.
- O6: To ensure local authorities:
- a) make decisions on urban development based on the best available evidence
 - b) respond promptly to evidence about changing demands for housing and business land
 - c) identify the evidence on which decisions about urban development are made.
- O7: To provide for the benefits of urban intensification by allowing for increased density in areas where those benefits are best realised.
- P6A: Enable higher-density development, especially in areas where there are one or more of the following
- a) proximity to many employment opportunities
 - b) urban amenities and services are easily accessible by existing or planned active transport and public transport networks
 - c) high demand for housing
 - d) best use can be made of existing or planned infrastructure, services and facilities.
- O8: To ensure every local authority with an urban environment has a robust, comprehensive and frequently updated evidence base about its urban environments.
- P8A: Local authorities must use evidence and information about the land and development markets for dwellings and business land, and reflect this in their section 32 reports.
- P8B: Local authorities must monitor a range of indicators, including the following, on a quarterly basis, to ensure they are well-informed about their markets for housing and business development capacity, and urban development activity and outcomes:
- a) prices and rents for housing, residential land, and business land by location and type, and changes in these over time
 - b) the number of dwellings receiving resource or building consents relative to the growth in households
 - c) the type and location of dwellings receiving resource or building consents
 - d) the housing price to cost ratio
 - e) indicators of housing affordability
 - f) available data on business land.
- Local authorities must publish the results of their monitoring of indicators at least annually.
- P8D: Local authorities must assess demand for housing and business land, and the development capacity required to meet that demand in the short, medium and long term.
- O9: Urban development occurs in a way that takes into account resource management issues of concern to iwi and hapū.
- P9A: When preparing a proposed policy statement, plan or strategy that affects how development capacity is provided for in urban environments every local authority must:
- a) provide iwi and hapū with opportunities to identify the resource management issues of concern to them relating to urban environments; and
 - b) indicate how those issues have been or will be addressed in the proposed policy statement, plan or strategy.
- P9B: When preparing a proposed policy statement, plan or strategy that affects how development capacity is provided for in urban environments every local authority must:
- a) provide hapū and whānau with opportunities to identify their aspirations for urban development on whenua Māori within their rohe
 - b) take into account their aspirations for urban development on whenua Māori within their rohe.

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National Policy Statement for Urban Development Team
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Submission on Proposed National Policy Statement on Urban Development

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Introduction

The Taranaki Regional Council (the Council) thanks the Ministry for the Environment and the Ministry for Housing and Urban Development for the opportunity to make a submission on the *Proposed National Policy Statement on Urban Development* (the NPS-UD).

The Council makes this submission in recognition of the purpose of local government set out in the *Local Government Act 2002*, and the role, status, powers and principles under that Act relating to local authorities. In particular, the Council has prepared this submission in recognition of its:

- functions and responsibilities under the *Resource Management Act 1991* (RMA), including requirements to give effect to the *National Policy Statement on Urban Development Capacity 2016*; and
- its regional advocacy responsibilities whereby the Council represents the Taranaki region on matters of regional significance or concern.

The Council has also been guided by its Mission Statement *'To work for a thriving and prosperous Taranaki'* across all of its various functions, roles and responsibilities, in preparing this submission.

This submission has been made by Officers on behalf of the Council, as a result of timing constraints associated with local body elections. This submission has therefore yet to be formally endorsed by the Council but is consistent with previous Council policy positions. The Policy and Planning Committee of the Council next meets on 19 November and will consider the submission retrospectively at this meeting. If any changes are made to the submission following this meeting they will be immediately forwarded to the Ministry.

The Council also works closely with district councils in the region in the interests of promoting integrated management of resources and has consulted with the New Plymouth District Council when making this submission.

The Council makes the following comments on the *Proposed National Policy Statement on Urban Development*:

Overview of the National Policy Statement on Urban Development

Question 1: Do you support a national policy statement on urban development that aims to deliver quality urban environments and make room for growth? Why/why not?

- The Council supports the need for central and local government to plan for future urban development capacity. The Council also supports the need for a more responsive monitoring framework to better understand the market and locational requirements of both business and residential land. However, the Council believes that there are differing urban development 'problems' that need to be addressed across New Zealand, with regulatory 'solutions' or costs targeted to specific areas. The on-going obligations and therefore costs placed on Councils are also a concern with a request for on-going support to be provided to assist with implementation.

With the changes proposed, the Council believes that the altered NPS-UD does provide more appropriate and effective policy guidance, structure and framework within which local authorities can set or delineate targets for future growth and land use patterns. Furthermore, the Council agrees that current National Policy Statement requirements should not continue to be imposed upon smaller provincial centres in the same way as for the larger metropolitan areas (as identified in Table 2).

Targeting cities that would benefit most

Question 2: Do you support the approach of targeting the most directive policies to our largest and fastest growing urban environments? Why/why not?

- The Council generally supports the NPS-UD as introduced, with particular support provided for the removal of smaller local authorities (currently considered to be either high or medium-growth areas in the *National Policy Statement for Urban Development Capacity 2016*) from the more stringent requirements specified for 'major urban areas'.
- Furthermore, the Council believes that the change in focus to defining urban environments as either 'major urban centres' or 'all urban environments' is more appropriate whereby national and local intervention is to be focused on where the 'real' problems exist.

- The Council therefore strongly supports the identification in Table 2 of those major urban centres that more appropriately require measures to address current and predicted housing shortages, i.e. targeted those areas where housing pressures are creating the greatest impacts nationally.
- The Council also supports New Plymouth District Council's request to consider a second tier of councils (i.e. those between the 'major urban centres' and 'local authorities in all urban environments') which recognise those areas which are experiencing high growth challenges (e.g. New Plymouth) but which do not have the same pressures as major urban areas. The Council would therefore support these second tier councils being required to meet the requirements of P8C and 'encouraged' to prepare Future Development Strategies. However, the Council strongly believes this requirement should relate to territorial authorities only rather than both local and regional councils.

Do you support the approach used to determine which local authorities are categorized as major urban centres? Why/why not?

- The Council does support the new approach proposed to determine which local authorities are categorized as 'major urban centres'.

Can you suggest any alternative approaches for targeting the policies in the NPS-UD?

- The Council believes that the Government is correct in defining two different categories of urban environment as they have done in the Proposed NPS-UD, therefore targeting those areas of greatest need. Consequently, the Council does not believe that there are any appropriate alternative approaches for targeting the policies in the Proposed NPS-UD.
- Furthermore, the Council did not agree that the current *National Policy Statement for Urban Development Capacity 2016* (NPS-UDC) is targeting the larger metropolitan areas and has unnecessarily 'captured' and imposed additional monitoring and planning costs on smaller provincial centres (i.e. as 'high-growth areas') where there are no significant problems and which, in the case of New Plymouth, have enough supply to meet the short, medium and long term growth requirements specified.
- To support this statement – the recent development of a *Housing and Business Development Capacity Assessment* report for the New Plymouth District has confirmed that the district has sufficient housing and business development capacity for the short, medium and long term, despite being identified as a high-growth urban area by Statistics New Zealand in 2016.

Future Development Strategy

Question 3: Do you support the proposed changes to Future Development Strategies (FDSs) overall? If not, what would you suggest doing differently?

- The Council supports the proposed changes to the NPS-UD's requirements for Future Development Strategies (FDS) whereby only the major urban areas will be required to produce such a Strategy.
- It is also believed that those smaller local authorities who do not have the land use and spatial restrictions/pressures currently faced by the large metropolitan urban areas should be encourage (but not required) to identify and plan for where development can

go, how the infrastructure to support it will be provided and the local authority's required contribution to that infrastructure development.

Do you support the approach of only requiring major urban centres to undertake an FDS? Would there be benefits of requiring other local authorities to undertake a strategic planning process?

- Yes, the Council strongly supports this new approach. It does not believe it necessary for urban areas, other than the major centres, to have a mandatory requirement to develop such strategies.

Enabling opportunities for development

Question 6: Do you support the addition of direction to provide development capacity that is both feasible and likely to be taken up? Will this result in development opportunities that more accurately reflect demand? Why/why not?

- Throughout this section of the Proposed NPS-UD reference is made to the term 'local authorities'. The Council requests that greater clarity is provided as to whether this is specific to either regional councils, territorial authorities and/or both. The Council is opposed to the requirements being generally applied to regional councils.

The Council strongly believes that the objective and policies specified in this section relate primarily to territorial authorities. There is a need to for the NPS-UD to focus on those organisations or plans that control and manage urban growth within their jurisdiction and that is primarily territorial authorities. The Ministry should be aware that regional plans may not always be able to allow development capacity given other resource management priorities such as fresh water.

A good example of how clarity on this responsibility is provided is in P5B on Page 34 whereby the Policy requires "*Territorial authorities must ...*".

- The Council also questions what would happen after the Minister for the Environment is notified "*if a local authority cannot meet the requirements under the NPS-UD for development capacity ...*" - as required by Paragraph 5 on Page 31 of the Proposed NPS-UD. Greater clarity on Government expectations and anticipated remedial actions would be beneficial.

Ensuring plan content provides for expected levels of development

Question 7: Do you support proposals requiring objectives, policies, rules and assessment criteria to enable the development anticipated by the zone description? Why/why not?

- Similar to previous comments, the Council seeks that proposals requiring objectives, policies, rules and assessment criteria to enable urban development anticipated by the zone description be confined to territorial authorities. The Council notes its concerns relating to the use of the term 'local authorities' in this section (and continuing throughout the rest of the Proposed NPS-UD).

The first paragraph of this section refers to the need for '*district plans to be including descriptions for each zone*', but later refers to the term 'local authorities', which includes regional councils and regional plans. As previously discussed, there is a need to for the NPS-UD to focus on those organisations or plans that control and manage urban growth within their jurisdiction and that is primarily territorial authorities.

Providing for intensification

Question 8: Do you support policies to enable intensification in the locations where its benefits can best be achieved? Why/Why not?

What option/s do you prefer for prescribing locations for intensification in major urban centres? Why?

- The Council supports in principle Option 2 (the prescriptive approach) i.e. district plans within major urban centres to zone for high-density residential activities within an 800m walkable catchment of centres and frequent public transport stops. This option is more directive and will address the current political bias towards local property interest in district planning processes that have so far restricted opportunities for greater urban intensification. Building upwards is also an effective tool in assisting with urban growth pressures in major urban centres, especially given that other government initiatives are trying to address issues such as maintaining the future protection of highly productive land.

Evidence for good decision-making

Do you support requirements for all urban environments to assess demand and supply of development capacity, and monitor a range of market indicators? Why/why not?

- The Council requests that Policies P8A, P8B, P8C and P8D are changed to require 'territorial authorities' and not 'local authorities' to assess the demand and supply of development capacity through monitoring programmes. The Council believes that territorial authorities are the appropriate organisations to obtain and report on this type of statistical information. Despite this requested change, the Council does believe it is important to obtain this type of information in order to assist with planning for future development trends within our urban environments.
- The Council also supports the proposal to amend requirements for monitoring reports to be published annually rather than quarterly. Trends in smaller provincial communities do not change significantly within a quarter, therefore despite having to obtain the data quarterly, to present the information to the public would be more beneficial on an annual basis. Trends would then be more obvious and conclusive.

Preparing a Housing and Business Development Capacity Assessment (HBA)

- The Council strongly supports the proposal to only require major urban centres to prepare a Housing and Business Development Capacity Assessment report (as outlined in AP1). It is however noted that other urban areas may still choose to monitor and prepare Housing and Business Development Capacity Assessment reports as part of its responsive planning for urban development.

Engagement on urban planning

Do you support inclusion of policies to improve how local government works with iwi, hapū and whānau to reflect their values and interests in urban planning?

- The Council believes that Policies P9A and P9B should be amended to be more specific with regard to what is meant by the term 'strategy'.

Also greater clarity should be provided as to what is meant by the term 'local

authorities'. As noted previously, the Council questions whether this is specific to either regional councils, territorial authorities and/or both.

There are many different 'plan' and 'strategy' documents prepared by both regional councils and territorial authorities that "*affects development capacity*" and these may be developed under a wide range of statutes. It is not clear whether reference to these plans and strategies relate to statutory documents only and/or those prepared under the RMA. There needs to be greater clarity provided in this section as to what sort of documents these policies pertain to. The statement "*when preparing a ... strategy that affects how development capacity is provided for in urban environments: every local authority must provide iwi and hapū with opportunities to comment...*" is also open to interpretation as to what planning processes and how and when to do this.

Co-ordinated planning

Iwi and hapū

- The Council supports suggested improvements regarding engagement with iwi, hapū and whanau within urban planning process (as suggested by Section 7 of the NPS-UD) but questions what is meant by the term '*principles and practices for partnering with iwi and hapū*' (as outlined in P10A)? Guidance on what this term means is requested for clarity purposes.

Alignment with other national direction under the RMA

Do you think there are potential areas of tension or confusion between any of these proposals and other national direction? If so please identify these areas and include any suggestions you have for addressing these issues.

- The Council notes and supports the importance of aligning existing national policy statements with the wide range of new policy statements and environmental standards currently being prepared and published.

The Council believes this to be a major issue and one which will not be easy to do. There is a real risk of provisions in different planning statements/standards not aligning with one another and conflict arising. In particular concern is the potential for conflicting priorities and requirements between the NPS-UD and other national policy directives such as the proposed *National Policy Statement for Freshwater Management*, the proposed *National Environmental Standards for Fresh Water*, the proposed *National Policy Statement for Highly Productive Land*, and the proposed *National Policy Statement for Indigenous Biodiversity*.

Do you think a national planning standard is needed to support the consistent implementation of proposals in this document? If so, please state which specific provisions you think could be delivered effectively using a national planning standard?

- The Council does not believe that it is necessary for a national planning standard to be developed to support the consistent implementation of proposals in this Proposed NPS-UD. The Council is unclear as to what 'problem' would be resolved by such national planning standards.

Conclusion

The Council thanks the Ministry for the Environment and the Ministry for Housing and Urban Development for the opportunity to make a submission on the *Proposed National Policy Statement on Urban Development*.

Overall, the Council supports this *Proposed National Policy Statement* and considers it provides an effective and improved framework to enable New Zealand cities to adapt and respond to the diverse and changing needs of all people, whanau, communities and future generations, while functioning within environmental limits.

The Council supports the need for central and local government to plan for future urban development. The proposals represent a much more targeted and effective approach to resolving urban growth problems around the country. In particular, there is a need for our major metropolitan centres to adopt much more responsive planning to address urban growth. However, there is no need for smaller urban areas to have the same planning requirements. Strong support is therefore provided for the list of major urban centres identified in Table 2.

The Council acknowledges that the Proposed NPS-UD provides a more appropriate, targeted and effective policy guidance, structure and framework within which local authorities can set or delineate targets for future growth that what is currently prescribed by the *National Policy Statement for Urban Development Capacity 2016*.

The Council is seeking further relatively minor changes to some provisions of the Proposed NPS-UD to better target local authorities with the jurisdictional responsibilities and capacity to monitor and plan for urban development, i.e. territorial authorities rather than both district and regional councils (which occurs whenever adopting the term 'local authority').

Should you have any queries on the matters raised in this submission please contact Chris Spurdle on chris.spurdle@trc.govt.nz or 06 765 7127.

The Council **does not wish to be heard** in support of its submission.

Yours faithfully



A D McLay
Director - Resource Management



Planning for successful cities summary

An 'at a glance' summary of the discussion document on a proposed National Policy Statement on Urban Development



**MINISTRY OF HOUSING
AND URBAN DEVELOPMENT**



Ministry for the
Environment
Mānātū Mō Te Taiao

New Zealand Government

Everyone in New Zealand deserves healthy, secure and affordable homes that provide access to jobs, education, amenities and services.

As New Zealand moves to a more sustainable, productive and inclusive economy, cities will play an increasingly important role in the well-being of our communities. Our cities need to be able to adapt and respond to the diverse and changing needs of all people, whānau, communities and future generations, and function within environmental limits. When performing well our cities can raise living standards for all.

The Government is looking at ways to make our cities perform better by making room for growth, investing in transport to drive more efficient and liveable urban forms, and ensuring active travel that provides health benefits is a more attractive and accessible choice.

The Government's Urban Growth Agenda takes a new approach to planning, based on the idea of making room for growth. The aim is to remove unnecessary restrictions on development, to allow for growth 'up' and 'out' in locations that have good access to existing services and infrastructure. This will require change to how land use is regulated in our towns and cities.

A new National Policy Statement on Urban Development

As part of the Urban Growth Agenda, the Government is consulting on a proposal for a new National Policy Statement on Urban Development (NPS-UD).

The NPS-UD will provide clear direction to local government about how to enable opportunities for development in New Zealand's urban areas in a way that delivers quality urban environments for people, now and in the future.

The NPS-UD will replace the National Policy Statement on Urban Development Capacity 2016. It will work alongside other government initiatives that will see central government working more closely with major cities to respond to growth pressures.

Wider national direction

The proposed National Policy Statement has been developed alongside several other government priorities for national direction. In light of this, the Ministry for the Environment and the Ministry of Housing and Urban Development have worked closely with other agencies to ensure all the national direction tools, both existing and proposed, are aligned. This is particularly important for the current proposals the Government is consulting on for highly productive land and for freshwater.

Essential Freshwater

This work programme proposes amendments to the National Policy Statement for Freshwater Management 2014, as well as new National Environmental Standards for Freshwater Management. The objectives of this work programme include:

- ▶ stopping further degradation and loss of freshwater resources
- ▶ reversing past damage
- ▶ addressing water allocation issues.

National Policy Statement for Highly Productive Land

The Government is proposing a new National Policy Statement for Highly Productive Land to improve the way highly productive land is managed under the Resource Management Act 1991, to:

- ▶ recognise the full range of values and benefits associated with its use for primary production
- ▶ maintain its availability for primary production for future generations
- ▶ protect it from inappropriate subdivision, use and development.

Our cities, your say

We've heard from a range of organisations and individuals on their ideas for improving urban development activity in New Zealand. We now invite you to share your views.

The discussion document and information about the consultation process, including how to make a submission and attend a workshop around the country, can be found at www.mfe.govt.nz/consultations/nps-urbandevelopment.

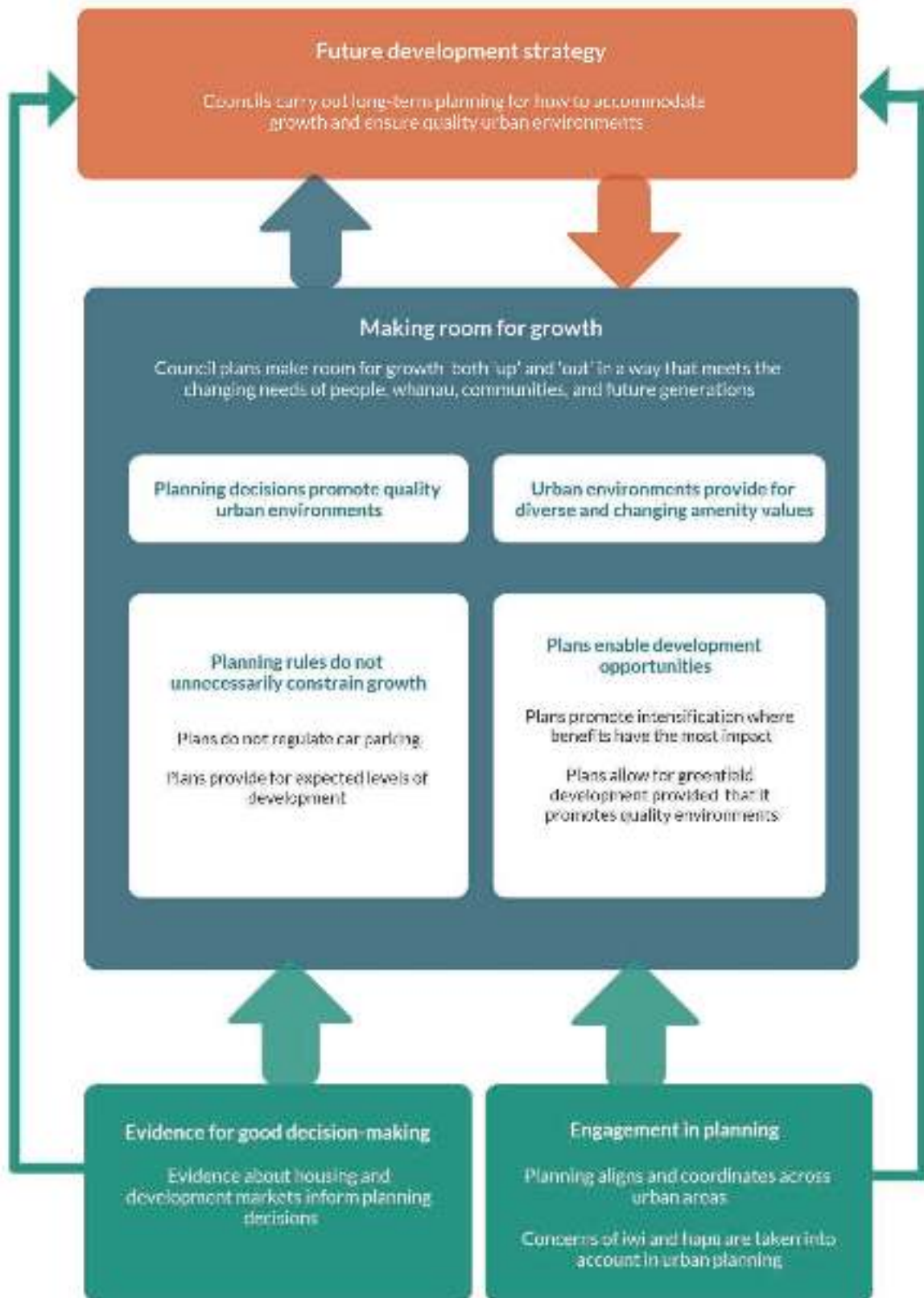
We want to hear from interested organisations and individuals by **5pm on 10 October 2019**.

- ▶ An online submission tool is available at www.mfe.govt.nz/consultations/nps-urbandevelopment.
- ▶ Submissions can also be emailed to npsurbandevelopment@mfe.govt.nz.
- ▶ Or posted to: Ministry for the Environment, PO Box 10362, Wellington 6143

You can also share your views and have questions answered at workshops being held around the country.

If you have any questions or need more information, email npsurbandevelopment@mfe.govt.nz.

How the parts of the National Policy Statement on Urban Development fit together



Summary of proposals

Proposal	What it would mean for our cities
<p>◆ Future development strategy</p> <p>Requires councils to carry out long-term planning about how their cities will grow in the future</p>	<p>Growth is coordinated and is responsive to demand, and regional and district plans protect areas unsuitable for development</p>
<p>◆ Making room for growth</p> <p>Describes the kinds of features that make a quality urban environment</p> <p>Clarifies what is meant by amenity in urban environments</p> <p>Requires councils to provide enough opportunities to meet demand for development</p> <p>Requires councils to describe the type of development they expect and ensure their plans allow for expected levels of development</p> <p>Requires councils to enable more dense housing development in certain areas</p> <p>Allows consideration of urban development where land has not yet been released or not identified for urban development</p> <p>Limits the ability of councils to regulate the number of car parks required for a development</p> <p>General proposals to require, preclude the use of, or replace particular rules in district plans</p>	<p>Cities provide a range of housing types, with good access to transport, services and amenities</p> <p>Councils consider the types of amenity that benefit the whole community, not just individual property owners, when making decisions</p> <p>More land is identified and zoned for housing across a range of types and prices</p> <p>People have a good understanding of what their community is intended to look like in the future and planning rules align with that vision</p> <p>More compact, multi-unit dwellings are built close to public transport, services and amenities</p> <p>Greenfield development can be considered when it doesn't align with planned growth, provided costs (economic, social, cultural and environmental) can be met</p> <p>Reduction in unnecessary carparks so the space can be used more efficiently</p> <p>Planning rules don't get in the way of good development</p>
<p>◆ Evidence for good decision-making</p> <p>New requirements for councils to gather evidence about the housing market to inform their planning decisions</p>	<p>Planning decisions are informed by good information about housing and business demand</p>
<p>◆ Engaging in urban planning</p> <p>Provides opportunities for iwi and hapū to identify aspirations and issues of concern, and ensures these are considered</p> <p>Encourages councils to work together on implementing the NPS-UD and on engaging with iwi/hapū and infrastructure providers</p>	<p>The way our cities grow better reflects the aspirations of iwi and hapū</p> <p>When councils talk to iwi/hapū and infrastructure providers about urban development, they do it in a streamlined and efficient way</p>

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Controller and Auditor-General's report:
*Managing freshwater quality: Challenges
and opportunities***

Approved by: GK Bedford, Director – Environment Quality
BG Chamberlain, Chief Executive

Document: 2334806

Purpose

1. The purpose of this memorandum is to introduce a report by the Office of the Controller and Auditor-General entitled '*Managing freshwater quality: Challenges and opportunities*'.
2. The full report can be viewed at <https://www.oag.govt.nz/2019/freshwater-quality/docs/freshwater-quality.pdf>

Executive summary

3. The long-awaited official audit report of the Controller and Auditor-General (OAG) on how four regional councils (including the Taranaki Regional Council) are managing freshwater quality was released on 19 September 2019. It follows an earlier report in 2011, which reported on the same four Councils.
4. The report is authoritative, rigorous and thorough. It presents a comprehensive endorsement of the Council's approach to freshwater management. It has found that our programmes and policy processes are robust, are being implemented effectively, are being tracked accurately and with accountability, and are achieving good results in maintaining or enhancing water quality in the region. Throughout the OAG's investigations, we were able to reassure it that good progress was being made on many of the concerns it raised.
5. The report makes five recommendations, four of which are targeted generically to the regional councils and one of which is targeted to the Ministry for the Environment and Statistics New Zealand.
6. In respect of this Council, the audit particularly acknowledges this Council's strong compliance monitoring and enforcement programmes, the effectiveness of the non-regulatory riparian management programme and the improvements in stream health that this region has achieved. It also confirmed that the Council has robust freshwater

quality monitoring programmes in place that are used in preparing policy and that provide assurance that the Council's management approach is maintaining or improving freshwater quality in the region.

7. In terms of working with stakeholders, the audit found that while all councils had generally positive relationships with the farming sector, there was scope to strengthen relationships with iwi and hapū. We will look to build on what we are currently doing in developing good relationships with iwi and hapū, and have several recent initiatives already well underway. Examples include the Wai Māori collaborative group working on the natural resources plan, Mana Whakahono a Rohe relationship agreements and further research into Mātauranga Māori, as well as iwi representation on our standing committees.
8. The major concern raised in the report sits at central government level. The OAG has highlighted the lack of information held at the national level necessary to prioritise efforts at freshwater management on a national basis, as one of the main issues in the report. This is a significant finding from the OAG given the controversy surrounding proposals for further national direction arising out of the Government's recently announced Essential Freshwater Programme.
9. The Council will study the report's findings and recommendations carefully and determine what further improvements it can make to freshwater quality management at regional and national levels in future.

Recommendation

That the Taranaki Regional Council:

- a) receives the memorandum '*Controller and Auditor-General's report: managing freshwater quality: Challenges and opportunities*'.

Background

10. The Office of the Controller and Auditor-General (OAG) released its long-awaited report on how four regional councils (Waikato Regional Council, Taranaki Regional Council, Horizons Regional Council and Environment Southland), are managing freshwater quality on 19 September 2019. It is based on close to two years' worth of investigative and audit work by the OAG.
11. The report followed an earlier audit carried out of the same four councils in 2011 in which the OAG made a number of recommendations to all regional councils and unitary authorities on ways to improve freshwater management. In their specific reports on each of the four councils, we were the only Council not to have any recommendations made to it in relation to improving our freshwater policies and programmes. Members should further note that this Council has implemented many of the relevant generic recommendations from the 2011 audit or will do so with the upcoming review of its proposed *Land and Freshwater Management Plan*.
12. The current audit began in 2017. However, the OAG notes that because the National Policy Statement on Freshwater Management and its amendments (to 2017) have superseded some of the issues raised in their 2011 report, their latest report is not a

straightforward update of how the four councils have responded to the 2011 recommendations.

13. Rather its purpose has been to provide a more contemporary view on how well the four councils set objectives for freshwater quality, gather and use freshwater quality information and ensure effective compliance with the Resource Management Act and associated regional plans and resource consents.
14. Because of the many different aspects to managing freshwater quality and the complexities involved, the OAG limited the scope of its review. For example, the audit report makes no comment on whether freshwater quality has improved or declined in the four regions since 2011. Neither does it look at how the four councils have implemented the *National Policy Statement for Freshwater Management* (NPS-FM). That has been the focus of work in the Ministry for the Environment.
15. The report also does not consider drinking water, stormwater, irrigation or freshwater clean-up funds as the OAG has reported on these aspects in other reports.
16. The audit was carried out using a variety of methods. These included reviewing regional plans and policy statements, compliance and enforcement policies and reports, water-related data and policies, annual reports, state of the environment and other reports and council minutes. Councils were also required to carry out a self-assessment of performance following which the OAG interviewed council staff, elected members and representatives of hapū and iwi, territorial authorities, the farming sector and environment groups. The audit was detailed and time-consuming.
17. Information was also sourced from a number of government departments with water related responsibilities.

Discussion

18. The OAG's audit report is welcomed. It is a comprehensive and exhaustive report that has taken place over an extended period of time.
19. In broad terms, it can be read as an endorsement of the Council's approach to freshwater management. It has found that our programmes and policy processes are robust, are being implemented effectively and are achieving good results in maintaining or enhancing water quality in the region. Throughout the OAG's investigations, we were able to reassure it that good progress was being made on many of the concerns it raised.
20. The OAG's report concludes that the four regional councils have made improvements since 2011 in aspects of their water management that support planning and targeting interventions to protect and improve freshwater quality. Some of these include better sharing of information about freshwater quality with the community, working more collaboratively, improved approaches to consenting compliance and enforcement (including improvements to procedures to reduce the risk of elected members influencing enforcement decisions), and investment in non-regulatory programmes.
21. The OAG's 2019 report makes five recommendations as follows:

1. *The Ministry for the Environment and Statistics New Zealand lead work with regional councils, relevant land and freshwater management agencies to support better informed and co-ordinate management of freshwater by preparing a consistent approach to monitoring, analysis, and reporting of freshwater quality state and trend information.*
2. *Waikato Regional Council, Taranaki Regional Council, Horizons Regional Council, and Environment Southland consider how they might use the analysis conducted by National Institute of Water and Atmospheric Research Limited to improve their monitoring of freshwater quality.*
3. *Waikato Regional Council, Taranaki Regional Council, Horizons Regional Council, and Environment Southland support and inform wider community discussion of freshwater quality issues by ensuring that the information they make available to their communities is clear, complete, up to date, consistent, accessible, and readily understandable.*
4. *Waikato Regional Council, Taranaki Regional Council and Horizons Regional Council, strengthen relationships with iwi and hapū, especially those yet to complete Treaty settlement processes, by formally seeking their aspirations for involvement in strategic decision-making and identifying how those aspirations can be met.*
5. *Waikato Regional Council, Taranaki Regional Council, Horizons Regional Council, and Environment Southland use a full range of appropriate compliance, monitoring, and enforcement tools to effectively identify and act on material non-compliance with Resource Management Act 1991 or resource consent conditions.*
23. In respect of this Council, the OAG particularly acknowledges this Council's strong compliance monitoring and enforcement programmes, the effectiveness of the non-regulatory riparian management programme and the improvements in stream health that this region has achieved.
24. Analysis carried out for the OAG by NIWA confirmed that the Taranaki Regional Council and the other three councils it audited have robust freshwater quality monitoring programmes.
24. They have also concluded that all four councils are effectively using freshwater quality monitoring results to inform region-wide freshwater planning. With respect to this Council, the audit report supports how the Council considers the results of its freshwater quality monitoring programme when preparing policy. It notes that these monitoring results provide assurance that the Council's management approach is maintaining or improving freshwater quality.
25. In setting freshwater quality objectives, the audit notes that the Taranaki Regional Council (and Environment Southland) were not as far advanced in setting their objectives under the NPS-FM as the other councils. Our reasons for this have been made known to the OAG and reported to the community. This has related to the need for further work following the release of a draft proposed *Land and Freshwater Management Plan*. We are confident that this will be completed by the timelines set out in the current (2017) NPS. However, regular and ongoing changes to the NPS-FM have created uncertainty for councils in putting the changes into place, and this frustration is acknowledged in the OAG's report.

26. The audit report also comments on the use of collaborative processes in setting objectives. They encourage councils to consider the benefits of taking a more collaborative approach but note that collaborative plan processes are not without drawbacks, are resource intensive for councils and often take longer than traditional planning processes. They also note that just because some councils are less collaborative than others does not mean that they are less effective or that they have not given full effect to their statutory obligations.
27. In terms of working with stakeholders, the audit found that while all councils had generally positive relationships with the farming sector there was generally a need to strengthen relationships with iwi and hapū. We will look to build on what we are currently doing in developing good relationships with iwi and hapū and have several initiatives already underway. Examples include the Wai Māori collaborative group working on the natural resources plan, Mana Whakahono a Rohe relationship agreements and further research into Mātauranga Māori, as well as iwi representation on our standing committees.

28. As to compliance monitoring, the audit report expresses satisfaction with Council's approach:

'Its rigorous approach helps maintain the integrity of its overall environmental management model. It also shows that being a strong and effective environmental regulator does not preclude having healthy and co-operative relationships with land users' (page 65).

29. The Council has successfully used all the enforcement tools available to it for many years.
30. The Council's riparian management programme has also received praise from the OAG in its discussion of approaches to non-regulatory initiatives (Chapter 10). Their report quotes the 2018 NIWA report, which found that Taranaki's landscape-scale riparian restoration programme has had a beneficial effect on water quality and downstream aquatic invertebrate communities.
31. The major concern raised in the report is the lack of any national framework allowing central government to make full and effective use of data collected by regional councils and to fill the gaps. This has resulted in a lack of information at the national level that is necessary to prioritise efforts on a national basis. To quote from the Auditor-General's Overview:

'Decision-makers do not have the information they need to prepare a national approach or long-term strategy to this significant environmental issue' (Controller and Auditor-General, 2019. Managing freshwater quality: Challenges and opportunities, page 5).

32. This is a significant finding from the OAG given the controversy surrounding proposals for further national direction arising out of the Government's recently announced Essential Freshwater Programme and the Government's insistence that information is not necessary for action to be undertaken.

33. The report goes on to state:

'A detailed national-level picture of freshwater quality is central to understanding the significant factors affecting freshwater quality and the degree to which those factors are significant to

particular regions. This picture would inform the prioritisation of action to address challenges and aid effective national-level planning and decision-making to support the work of regional councils in managing freshwater quality' (ibid, Page 5.)

34. A major theme of the Council's submission to the Government's discussion document on national direction for freshwater management '*Action for healthy waterways*', (see item from Ordinary Agenda, Tuesday 5 November 2019), supports this point. National policy based on inadequate or incomplete data garnered from programmes designed for regional rather than national reporting purposes will not be reflective of the situation in particular regions such as Taranaki and will likely incur substantial and significant economic and social costs for little or no environmental gain.
35. The Council will study the report's findings and recommendations carefully and determine what further improvements it can make to freshwater quality management in future.
36. The OAG's report comes at a time when freshwater management is in a state of flux with a series of significant changes to national policy made over the last few years, and which has culminated in the latest far reaching national policy proposals.
37. The OAG's report adds to a useful suite of independent audits and assessments the Council itself has previously commissioned.

Decision-making considerations

38. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

39. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

40. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

50. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

51. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Managing Freshwater quality: Challenges and opportunities -

<https://www.oag.govt.nz/2019/freshwater-quality/docs/freshwater-quality.pdf>

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Annual report on the Progressive
Implementation Programme: National
Policy Statement for Freshwater
Management**

Approved by: A D McLay, Director – Resource Management
B G Chamberlain, Chief Executive

Document: 2347166

Purpose

1. The purpose of this memorandum is to present for Members' information the annual report on the implementation programme for the *National Policy Statement for Freshwater Management 2014* (NPS-FM) for the 2018/2019 financial year.

Executive summary

2. Under the *Resource Management Act 1991* (RMA), regional policy statements and plans must give effect to any national policy statement.
3. The NPS-FM sets out national direction on freshwater objectives under the RMA.
4. Where regional councils cannot fully implement the NPS-FM by 31 December 2015, Policy E1 of the NPS-FM requires the Council to prepare and annually report on a progressive implementation programme. The Council's current progressive implementation programme was reviewed and adopted in November 2018.
5. The content of this memorandum gives effect to the Policy E1 reporting requirements of the NPSFM. Key highlights for the 2018/2019 financial year are as follows:
 - on the ongoing engagement, research, investigations and information gathering underpinning the development of a Proposed Freshwater and Land Plan continued, including the setting of regional targets for swimmable rivers, further work and investigations on the setting environmental flow limits alignment with *National Planning Standards*
 - establishment of the Wai Māori working group, comprising of iwi and hapū representatives, to inform and contribute to the review of the Freshwater Plan
 - continued development of freshwater quality accounting system. Development of the freshwater quality accounting system will continue to be a work in progress, at

least in the short term, to develop new programmes and amend existing programmes to meet new NPS-FM and NOF monitoring requirements for freshwater quality

- 256 consents were granted pursuant to the policies of the Freshwater Plan and the NPS-FM transitional policies relating to freshwater quality and quantity
- 70 farm dairy effluent discharge consents were granted pursuant to existing regional plans and the *Requirements for Good Farm Management* document. Through the consenting process, farm dairy effluent systems are now generally required to divert effluent to land, i.e. 96% of the consent were approved subject to discharging to land or subject to conditions that the farm dairy effluent disposal would (in full or in part) be discharged to land after a transition period.
- Council and farmers on intensively farmed land continue to progress stock exclusion and riparian planting on the ring plain and coastal terraces. As at 30 June 2019, 87% of riparian plan streams are now fenced and 74% protected by vegetation (where recommended)
- Development of a web-based farming portal setting out good management practices and farm environment plans.

Recommendations

That the Taranaki Regional Council:

- a) receives this memorandum entitled *Annual report on the Progressive Implementation Programme: National Policy Statement for Freshwater Management*; and
- b) notes the progress on the implementation of the NPS-FM for the 2018/2019 financial year.

Background

6. Freshwater is one of our region's most valuable and important resources. The NPS-FM was first adopted in 2011, with amendments subsequently adopted on 1 August 2014 and 7 September 2017.
7. The NPS-FM sets national directions under the RMA for improving or maintaining water quality and protecting important ecosystems in our lakes, rivers, streams and aquifers. Under sections 62(3) and 67(3)(a) of the RMA, regional policy statements and regional plans must give effect to the NPS-FM. The NPS-FM does not specify exactly how it should be implemented, or how policy statements and plans should be amended. That is for the Council and community to determine, reflecting regional circumstances.
8. In September 2019, the Government released a proposed amended NPS-FM, proposed *National Environmental Standards for Freshwater Management* (NES-FM) and proposed *Stock Exclusion Regulations* (SER). This *Annual report on the Progressive Implementation Programme: National Policy Statement for Freshwater Management* relates to a requirement of the NPS-FM 2014 and is separate from any proposed new requirements.
9. The implementation of the NPS-FM in the Taranaki region does not start from a blank canvas. Of note, state of the environment reporting shows that Council programmes and activities have been generally efficient and effective in meeting NPS-FM objectives and

policies for freshwater quality and quantity. For example, Council monitoring shows that overall surface water and groundwater quality in the region is in the A or B band for most attributes in Appendix 2 of the NPS-FM, and is being maintained or is improving.

10. Notwithstanding the above, the NPS-FM contains significant new and additional concepts and elements relating to plan development, limit setting and processes that councils must give effect to over time. Accordingly, in accordance with the NPS-FM, the Council has until 31 December 2025 to implement the NPS-FM (Policy E1(b) of the NPS-FM), and until 31 December 2030 if it considers that meeting the earlier date would result in lower quality planning or it would be impracticable to complete implementation of a policy by that date (Policy E1(ba) of the NPS-FM).¹
11. Pursuant to E1(c) of the NPS-FM, where regional councils cannot fully implement the NPS-FM by 31 December 2015, i.e. by having an operative plan (post appeals/Environmental Court), they must prepare a progressive implementation programme for giving effect to the NPS-FM.
12. Policy E1 of the NPS-FM reads as follows:
 - a) This policy applies to the implementation by a regional council of a policy of this national policy statement.*
 - b) Every regional council is to implement the policy as promptly as is reasonable in the circumstances, and so it is fully completed by no later than **31 December 2025**.*
 - ba) A regional council may extend the date in Policy E1 (b) to **31 December 2030** if it considers that:*
 - i) meeting that date would result in lower quality planning; or*
 - ii) it would be impracticable for it to complete implementation of a policy by that date.*
 - c) Where a regional council is satisfied that it is impracticable for it to complete implementation of a policy fully by 31 December 2015, the council may implement it by a programme of defined time-limited stages by which it is to be fully implemented by 31 December 2025 or 31 December 2030 if Policy E1 (ba) applies.*
 - d) Any programme of time-limited stages is to be formally adopted by the council by 31 December 2015 and publicly notified.*
 - e) Where a regional council has adopted a programme of staged implementation, it is to publicly report, in every year, on the extent to which the programme has been implemented.*
 - f) Any programme adopted under Policy E1 c) of the National Policy Statement for Freshwater Management 2011 or Policy E1 c) of the National Policy Statement for Freshwater Management 2014 by a regional council is to be reviewed, revised if necessary, and formally adopted by the regional council by 31 December 2015, and publicly notified.*
 - g) Every regional council must, at intervals of not more than five years, compile and make available to the public a review of the improvements to specified rivers and lakes, and primary contact sites, made in giving effect to Policy A5."*

¹ Note Government proposals currently being consulted on to amend this clause of the NPS-FM (amongst other things) to require all plans (as appropriate) to give full effect to the NPS-FM by 2025.

13. Members may therefore recall, that at the Policy and Planning Committee meeting of 20 November 2018, Council adopting and agreeing to publicly notify a revised version of its progressive implementation programme (PIP).²

Progressive implementation programme for Taranaki 2018

14. The Council's PIP identifies key projects and timelines for implementing the PIP and was published on the Council's website (refer <https://www.trc.govt.nz/assets/Documents/Plans-policies/FreshwaterPlan/PIP2015.pdf>). Key projects and activities for implementing the NPS-FM in Taranaki are grouped under the following headings:
 - amendments to regional policy statements and plans
 - implementation of current plans and assessment of resource consents
 - implementation of other supporting initiatives that sit outside statutory documents and/or RMA consenting processes.
15. As noted in the PIP, significant elements of the NPS-FM are already being given effect to through existing and ongoing Council programmes and activities. Of particular note, through the current Freshwater Plan and associated resource consenting process, Council continues to assess and make decisions on applications relating to freshwater resources. In doing so, Council is giving effect to most NPS-FM water quality and quantity objectives and policies of the NPS-FM.
16. Council also undertakes and implements a range of other initiatives that, while sitting outside statutory documents and/or the requirements of the RMA, nevertheless give effect to various NPS-FM objectives and policies. They include:
 - implementation of extension programmes such as the Taranaki Riparian Programme, the Sustainable Hill Country Programme, the Wetlands Programme and the Key Native Ecosystems Programme
 - general liaison, advice and education with resource users to promote behavioural changes and best practice that also support the maintenance and enhancement of freshwater quality in the region and the protection of wetlands
 - tangata whenua participation on Council standing committees relating to resource management
 - economic instruments and other support and assistance
 - implementation, review, and adoption of freshwater monitoring activities to assess and report on freshwater issues and trends in the region. A number of new or amended monitoring programmes are required to give effect to a number of new concepts and requirements set out in the NPS-FM, particularly in association with monitoring the National Objectives Framework and the development and refinement of accounting systems for freshwater quality and quantity.
17. The PIP recognises that the key vehicle for implementing and giving full effect to the NPS-FM (particularly in relation to incorporating the National Objectives Framework) is the Council's review and amendments to existing planning documents, particularly the

² Following amendments to the NPS-FM in 2017, councils were required to review, revise (if necessary) and formally adopt revised PIPs by 31 December 2018, and publicly notified it.

Regional Freshwater Plan for Taranaki and Regional Soil Plan for Taranaki. The PIP identifies four key phases relating to the plan reviews. They are:

- **Preliminary community and stakeholder engagement:** This phase relates to early consultation with key stakeholders on freshwater management issues and major proposed changes, the establishment of a stakeholder focus group, the commissioning of research and preparation of a suite of technical documents and position papers, leading to development and consultation on a draft Plan.

This phase has been completed.

- **Further investigations and engagement to develop a Proposed Plan:** This phase relates to ongoing information gathering, investigations, engagement and consultation to work through issues identified through the draft Plan process, leading to the development of a Proposed Plan.

As appropriate, throughout this phase, Council will endeavour to respond and, if necessary, amend its draft planning documents to give effect to new or proposed national policy initiatives such as the *National Policy Statement for Urban Development Capacity* (2016), amendments to the RMA (2017), amendments to the NPS-FM (2017 and 2019), including incorporation of Te Mana o te Wai and amendments to NOF provisions, attributes and values (2017 and 2019), promulgation of the *National Environmental Standard for Plantation Forestry* (2017), national requirements for councils to set draft and final regional targets for swimmability (2018), plus Government proposals recently released as part of the *Essential Freshwater* package (NES-FM, NPS-FM and SER).

This phase is in progress.

- **Proposed Plan under Schedule 1 of the RMA:** This phase relates to initiating the formal RMA process of publicly notifying a Proposed Plan, seeking public submissions/ further submissions, and holding a hearing of submissions prior to the Council releasing its formal decisions.

This phase is not yet due to be commenced.

- **Appeals and final adoption of the Plan:** Any person who has made a submission on the Proposed Plan can appeal Council's decision to the Environment Court. If no appeals are lodged the Council can immediately make the plan operative. If appeals are lodged then the Council will enter into mediation or Environment Court hearings. Only after all appeals are resolved, and the Plan amended accordingly, can the Council then make the Plan operative.

This phase is not yet due to be commenced.

18. In accordance with the PIP's indicative timeframe, Council is currently in Phase 2 with the expectation that a Proposed Natural Resources Plan (Proposed Plan), that also addresses freshwater management in Taranaki will be publicly notified under Schedule 1 of the RMA by **December 2020**, but sooner if practicable. However, due to significant new changes likely to be required in the Proposed Plan through new Government requirements arising from the proposed NES-FM, proposed amended NPS-FM and SER (Government decisions expected in the first half of 2020) it is likely that a Plan will now not be notified until at least 2021.

Annual report on NPS-FM implementation 2018/2019

19. Under Policy E1(e) of the NPS-FM, Council must annually report on the extent to which the PIP has been implemented. Set out below is a summary of and discussion on the key activities and milestones achieved in 2018/2019 in relation to the implementation of the PIP. The content of this memorandum gives effect to the Policy E1(e) reporting requirement.

Implementing NPS-FM through regional plan reviews

20. Progress on the development of the Proposed Plan, including the underpinning policy positions, continued in 2018/2019. Of particular note, in 2018/2019, Council undertook the following activities:
- In November 2018, the Council established the Wai Māori working group, comprising of iwi and hapū representatives and independently facilitated by Sean Zieltjes. The purpose of this group is to inform and contribute to the review of the Freshwater Plan. It meets on an as need be basis (but generally at 4 to 6 week intervals). It met three times during the financial year and will continue to meet over the 'life' of the Freshwater Plan review.
 - In May 2019, commissioned Rawiri Faulkner of Tutaiao Limited, to review and present advice on the expression of tikanga Māori principles and values appropriate for RMA planning documents, including the Proposed Plan.
 - In December 2018, the Council adopted its regional targets for swimmable rivers and lakes for the Taranaki region that will ultimately need to be included in a revised Plan.
 - In July 2018 Dr Ian Jowett completed a Council commissioned study, reviewing minimum flows and water allocation to help inform decision making around environmental flow limits.
 - The Jowett report was circulated and workshopped with Iwi o Taranaki and other stakeholders in November 2018.
 - The Council has commissioned Dr Jowett to undertake further investigations and review of environmental flow limits in Taranaki with a particular focus on the Waitara and Whenuakura catchments - which have been identified as larger river which potentially requires-specific allocation limit (rather than meeting a regional default allocation limit). This work will be undertaken in the summer of 2019/2020.
 - Aligned draft Plan provisions with the Government's National Planning Standards, which were promulgated in April 2019.
 - Incorporated Air Quality Plan review into the regional freshwater and soil plan reviews. Work commenced on integrating freshwater, soil and air plan provisions into a combined Proposed Natural Resources Plan.
 - Continued work on draft Plan provisions to, where practicable, incorporate the results of further engagement and investigations. This included evaluating and responding to national freshwater initiatives (and their implications for Council and draft Plan provisions).
 - Continued work on the Section 32 RMA costs and benefits assessment for the Proposed Plan, including further work, investigations and research on the setting and monitoring of water quality and quantity limits.
 - As part of its ongoing liaison and communication to tangata whenua and stakeholders, the Council has forwarded two comprehensive updates on the

Freshwater Plan review. The latest update of the 2018/2019 year can be found here: <https://www.trc.govt.nz/environment/core-documents/regional-fresh-water-plan/water-and-soil-plan-review/>.

Implementing the NPS-FM through the resource consenting process

21. Through the current Freshwater Plan and associated resource consenting process, in 2018/2019 Council continued to assess and make decisions on applications relating to freshwater resources.
22. In 2018/2019, 286 consents were granted, 258 (or 90%) of which related to freshwater. All these consents were granted pursuant to the policies of the Freshwater Plan, which includes NPS-FM transitional policies relating to freshwater quality and quantity.
23. Of particular note, 70 farm dairy effluent consents were processed in 2018/2019. Sixty-seven of these or 96% of those were approved subject to discharging to land or subject to conditions that the farm dairy effluent disposal would (in full or in part) be discharged to land after a transition period. The switch to land-based disposal (which is already well underway in Taranaki) will occur within reasonable timeframes as consents come up for renewal. By 30 June 2019, 61% of the 1,649 farm dairy effluent systems now discharge to land.

Implementing the NPS-FM through other freshwater programmes

24. In 2018/2019, Council implemented a range of non-regulatory and supporting initiatives that, while sitting outside statutory documents and/or the requirements of the RMA, nevertheless gave effect to various NPS-FM objectives and policies. Highlights are as follows:
 - Development of a web-based farming portal setting out good management practices and farm environment plans. This 'farm hub' can be found here: <https://www.trc.govt.nz/environment/farmhub/good-farming-practice/>
 - Ongoing progress in stock exclusion and riparian planting contributes to giving effect to objectives A1 and A2 and policies A6 and A7 [Water quality] of the NPS-FM.
 - 100 riparian plans covering 453 kilometres of stream bank prepared that financial year (363 km the preceding year). Plan recommendations propose 216 kilometres of riparian management with the balance of 237 kilometres already being adequately protected.
 - As at 30 June 2019, 2,889 riparian management plans have been prepared recommending the planting of 6,293 km and fencing of 7,190 km of stream banks on the ring plain and coastal terraces. At 30 June 2019, 49.4% of the recommended planting (up from 45.7% in the preceding year) and 70.2% of the recommended fencing (up from 68.3% in 2015/2016). New and existing works means 86.5% of riparian plan streams are now protected by fencing and 73.7% by vegetation where recommended.
 - 539,919 riparian plants were sold to 1,209 plan holders at cost. As at 30 June 2019, 5.6 million riparian plants have been sold to riparian plan holders.
 - Tangata whenua representation and contribution to resource management decision making on the Policy and Planning and Consents and Regulatory committees contributes to giving effect to Objective D1 and Policy D1 [Tangata whenua] of the NPS-FM.

- Ongoing implementation and refinement of freshwater monitoring activities to give effect to a number of new concepts and requirements set out in the NPS-FM, particularly in association with monitoring the National Objectives Framework and the development and refinement of accounting systems for freshwater quality and quantity. Of particular note, in 2018/2019, the Council:
 - continues to update its freshwater quantity accounting system. The spreadsheet based system sets out, for all Taranaki rivers and streams with consented takes, the amount of allocable water, minimum flows and the remaining available water for consumptive uses. The freshwater quantity accounting system is a live document that is updated when water permits are surrendered and/or new permits issued
 - amended the Periphyton monitoring programme as part of fulfilling the requirements of the amended NPS-FM and which specified periphyton as one of the compulsory ecosystem health attributes for councils to monitor³
 - developed a five-year strategic plan for continuous water quality monitoring programme with recommendation to install a continuous water quality monitoring probe at each of the proposed FMUs in the region. The first instalment of the continuous water quality probe was completed in August 2019 at Waingongoro River at SH45
 - reviewed the existing instream structure programme, and regional register of weirs, dams and other barriers to fish passage in Taranaki, and made appropriate changes and recommendations to improve the effectiveness of the programme. The revised instream structure programme provides the status of each fish passage structures and its monitoring regime, as well as recommended actions for remediating or non-compliant fish passes. This is in line with the requirements of the new draft NPS-FM for regional councils to collect, maintain, and published records of new and (known) existing instream structures and assess their likely impact on fish passage and river connectivity
 - reviewed the existing state of the environment lake programme to meet the requirements of NPS-FM to monitor representative lakes in the region and incorporate the compulsory values of lake attributes to monitor which includes phytoplankton, total phosphorus, total nitrogen, ammonia, E.coli and cyanobacteria
 - undertook ongoing state of the environment monitoring to assess and report on freshwater issues and trends in the region.
- Set and published final Regional Targets for Swimmable Rivers and Lakes for the Taranaki Region in November 2019.

25. Table 1 below sets out a summary of the key activities and milestones in the implementation of the NPS-FM relating to the development of a Proposed Plan.

Table 1: Key activities giving effect to the NPS-FM 2018/2019

³ Prior to the changes the Council had an existing SEM Periphyton monitoring programme that had been operative since 1996 collecting data at 21 sites around the region, conducted every spring and summer including annual summer chlorophyll-a sampling and reported biannually against existing criteria. The new NPS-FM Periphyton monitoring programme is more rigorous requiring monthly monitoring regime regardless of weather or flow conditions at sites representative of each freshwater management unit, with the additional nutrient sampling to be undertaken concurrently with chlorophyll-a sampling, and more stringent criteria.

Key activities	Gives effect to NPS-FM provisions
Regional plan reviews	Objective AA1 and Policy AA1 [Te Mana o te Wai] Objectives A2 and A3 and policies A1, A2, A3, A5 and A6 [Freshwater quality] Policies B1, B2, B3 and B6 [Freshwater quantity] Objective C1 and Policy C1 [Integrated management] Objective CA1 and policies CA1, CA2, CA3 and CA4 [National Objectives Framework]
Resource consenting process	Objectives A1, A2, and A4, and policies A4 and A7 [Freshwater quality] Objectives B1, B2, B3, B4 and B5, and policies B4, B5, B7, and B8 [Freshwater quantity] Objective C1 and Policy C1 [Integrated management] Objective D1 and Policy D1 [Tangata whenua roles and interests]
Other freshwater programmes	Objectives A1 and A2 and policies A6 and A7 [Freshwater quality] Objective CB1 and policies CB1, CB2, CB3 and CB4 [Monitoring plans] Objective CC1, and policies CC1 and CC2 [Accounting] Objective D1 and Policy D1 [Tangata whenua] Policy E1 [Progressive implementation programme]

Other matters

26. As noted previously, in September 2019, the Government released its *Essentials Freshwater* package. These Government proposals are wide-ranging and significant in terms of their potential impact on the region, its communities and, indeed, the policy scope for freshwater management overall.
27. Consultation on the Essential Freshwater package has just ended and shortly a independent advisory panel will be constituted to consider submissions and provide a report and recommendations to Ministers. Ministers will consider the report and recommendations before deciding whether or not to proceed with the policy proposals or make changes. Government's decisions on the Essential Freshwater package are not likely to be known to next year.
28. The PIP states that the Council will "...Notify a Proposed Freshwater and Land Management Plan for Taranaki under Schedule 1 of the RMA by December 2020". Given the Government's timelines and the policy implications of their proposals, there is a significant risk that this deadline may no longer be achievable with Council unable to pre-empt Government decisions that will need to be subsequently incorporated into new regional planning provisions. Government proposals as they now stand will involve a significant change in Taranaki's current freshwater management regime.

Decision-making considerations

29. Part 6 (Planning, decision-making, and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the Act.

Financial considerations—LTP/Annual Plan

30. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

31. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991*, the *Local Government Official Information and Meetings Act 1987*, and the *Biosecurity Act 1993*.

Iwi considerations

32. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

33. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

Subject: Update on *Towards Predator-Free Taranaki* project

Approved by: S R Hall, Director - Operations
B G Chamberlain, Chief Executive

Document: 2358595

Purpose

1. The purpose of this memorandum is to present for Members' information a quarterly update on the progress of the *Towards Predator-Free Taranaki* project.

Executive summary

2. On 30 May 2018, the Minister of Conservation launched the *Towards Predator-Free Taranaki* project.
3. *Towards Predator-Free Taranaki* is the first large-scale project with the long term aim of progressing towards removing introduced predators from a region. The Government is supporting the project with a sum of more than \$11 million through Predator Free 2050 Ltd (PF2050), the company set up by the Government in 2016 to help New Zealand achieve its predator-free 2050 goals.
4. Three different phases of work have begun around the mountain, starting in the New Plymouth area, Oakura, and the Kaitake range. This item reports on the three different elements to the project: urban trapping, rural control, and zero possums.
5. Monitoring work and site-led work has begun and Council officers have had input into several technological innovations.
6. Overall, there has been a hugely positive response from the Taranaki community. Public workshops were held in venues across New Plymouth to promote the urban project.
7. Thirty five schools are now distributing traps, with more schools expressing interest in being involved.
8. In total more than 6,000 traps have now been distributed to the public or deployed on District Council reserves throughout New Plymouth and Oakura.

9. Year one of the rural predator control project is now in the landowner handover phase. More than 2,000 mustelid (stoat, ferret and weasel) traps were deployed across the 14,000 ha between Mt Taranaki and New Plymouth for the knockdown phase. This trap network has now been reduced to maintenance levels. Sign up for the second year of the rural predator control project has been completed with over 90% of the block agreeing to be part of the project.
10. The first phase of the zero possum operation has been completed and the virtual barrier has been constructed. Testing and refining of the virtual barrier by the Zero Invasive Predators (ZIP) team is continuing as some technical issues have been encountered. The virtual barrier is now 90% operational and due to be fully operational when the second phase of the zero possum aerial control on the Kaitake range is completed.

Recommendations

That the Taranaki Regional Council:

- a) receives this memorandum *Update on Towards Predator-Free Taranaki project*; and
- b) notes the progress and milestones achieved in respect of the urban and rural predator control and the zero density possum projects of the *Towards Predator-Free Taranaki* project.

Background

11. On 30 May 2018, the Minister of Conservation launched the *Towards Predator-Free Taranaki* project.
12. The *Towards Predator-Free Taranaki* project is the first large-scale project with the long term aim of progressing towards removing introduced predators from the region. Supported by more than \$11 million from Predator Free 2050 Ltd (PF2050), the company set up by the Government in 2016 to help New Zealand achieve its predator-free 2050 goals, the project aims to restore the sound and movement of our wildlife, rejuvenate native plants in urban and rural Taranaki, and protect agriculture.
13. The project's ultimate aim is to eradicate stoats, rats, and possums across the region by 2050. This ambitious goal has not been attempted before, and the first phase of the project has trialled control methodologies, new tools and monitor results to inform future implementation. The latest technologies – including remote sensors, wireless nodes and a trapping app – and trapping techniques are being used to remove predators and prevent re-infestations. The high-tech equipment makes trapping more efficient, particularly in rural areas, and sends a smartphone alert to the user when the trap goes off.
14. Project work is well underway around the mountain with the focus being on the New Plymouth area, Oakura, and the Kaitake range. There are three elements to the project:
 - Rural landscape predator control
 - Urban predator control
 - Zero density possums, and

15. There has been a hugely positive response from communities wanting to restore our regional biodiversity by getting behind the *Towards Predator-Free Taranaki Project* as it continues to roll out across the New Plymouth District. Monitoring work and site-led work is well advanced and officers have had input into several technological innovations.
16. Set out below is a summary of key progress and milestones in respect of the main elements of the project and details future work.

Rural Landscape Predator Control

Rural Landscape Predator Control	Trap layout complete in year one area, as per agreed control plan	✓
Rural Landscape Predator Control	Traps connected to wireless network as per agreed control plan	✓

17. Year one of the rural landscape predator control project has been completed and is now in the landowner handover phase with a positive response from landowners between Mt Taranaki and New Plymouth.
18. So far, as part of the project, more than 2,000 mustelid (stoat, ferret and weasel) traps have been deployed across the 14,000 ha for the knockdown phase.
19. A significant amount of technological testing and system integration has been undertaken with suppliers, including testing and integration of the Econode wireless trap monitoring devices. Trap layout and density has now been reduced to maintenance levels, and a final trap check and landowner handover is continuing.
20. The project is now moving into its second year. Council officers and contractors have completed signing up new landowners to expand the rural landscape predator control. The vast majority of landowners signed up to the project allowing for 90% of the area to be covered.
21. Trap catch totals for year one show that approximately 7,300 pest animals have been removed by the nearly 1,300 A24 traps that have been placed so far – that’s around 4-5 rats, hedgehogs or stoats per trap. A further 1,229 pest animals have been removed so far by the 500 DOC250 traps.

Urban predator control

Urban Predator Control	Over 6,000 traps distributed to the public or deployed on District Council reserves throughout New Plymouth and Oakura.	✓
Urban Predator Control	New Plymouth District Council reserve trap network regularly checked with contractors and increasing numbers of volunteers	✓

22. The urban project continues to grow with traps distributed at public workshops, markets, schools and retail outlets in New Plymouth.

23. Thirty five schools are now distributing traps, with more schools expressing interest in being involved. Rat trap packs are also available from both Mitre 10 and Hunting and Fishing, New Plymouth. In total more than 6,000 traps have now been distributed to the public or deployed on District Council reserves throughout New Plymouth and Oakura.
24. The New Plymouth District Council reserve trap network up and running with contractors and increasing numbers of volunteers checking traps regularly.
25. Monitoring results for year one (following control in New Plymouth city) shows that the bite mark index for possums has been reduced from 25.6% to 1.4% while the rat tracking index has been reduced from 34% to 19%.

Zero Density Possums

Zero Density Possums	Survivor/ incursion detection systems operational, as per agreed eradication plan	✓
Zero Density Possums	Virtual barrier reports all trap activations.	✓

26. The first phase of the zero possum operation has been completed and the second phase of the eradication of possums from the Kaitake range is imminent.
27. A 'virtual barrier' has been constructed. Testing and refining of the virtual barrier by the Zero Invasive Predators (ZIP) team is continuing as some technical issues have been encountered. The aim is to have the virtual barrier fully operational in time for the second phase of the zero possum aerial control on the Kaitake range.
28. The cross-agency project team and contractors will continue detection of possums within the Kaitake range and control in the surrounding area leading up to the second phase of the zero possum aerial control.

Next steps

29. Officers will continue to steadily increase public and landowner participation in the urban project and to roll out traps in year two of the rural predator project. The cross-agency team and contractors will ensure the virtual barrier in Pukeiti is fully operational to protect the Kaitake range following the second phase of the zero possum aerial control.
30. Contractors and volunteers will also continue to service the increased trap network in urban New Plymouth District Council reserves.

Decision-making considerations

31. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

32. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

33. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

34. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum. Ngā Iwi o Taranaki support the project and supported the application for funding through the Taranaki Iwi Chairs Forum. We are working closely with hapū of Te Atiawa and Taranaki Iwi in all three phases, but especially in the Kaitake range, which is of high cultural importance.

Legal considerations

35. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendix

Document #2260005: quarterly report to PF2050.



TOWARDS PREDATOR FREE TARANAKI

OCTOBER 2019 QUARTERLY
REPORT TO PF2050

1. Overview/Highlights

- Second pre-feed of stage two of zero density possum 1080 operation completed on 18th of September.
- Year two sign up of rural project completed with 90% of landowners signing up to the programme. Landowner handover nearing completion in year one area.
- Virtual barrier up and running apart from F line (Eastern flank line). ZIP is waiting on new motors to liven this line.
- Two new volunteer coordinators/support staff have started in the urban programme with a focus on New Plymouth.

2. Project Progress and Milestones

2.1 Rural Landscape Predator Control

- Contractors selected for year two and contract adjustments made to improve on year one.
- Trap installation phase for year two has begun.
- Landowner handover phase nearing completion in year one area.
- All images from camera monitoring data have been processed. MWLCR to report on results.
- Year two sign up of rural project completed with 90% of landowners signing up to the programme.

LSDP8	New milestones and decision points for Roll out of the rural landscape predator control (as per control and monitoring plan) - year 1 zone	1-Jun-19	Discuss at meeting on 22/10/2019
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2.2 Urban Predator Control

- Two new volunteer coordinators/support staff have started with a focus on New Plymouth. One employed by the project and the other employed by the New Plymouth District Council.
- New Plymouth District Council reserves trap network checked with combination of volunteers and contractors.
- Planning for project expansion into Waitara has begun and community consultation has been initiated.
- Trap kits continue to sell well through both Mitre 10 stores in New Plymouth and Hunting and Fishing New Plymouth as well as schools.

UPDP3	New milestones and decision points for project expansion into other urban areas as agreed	1-Jun-19	Discuss at meeting on 22/10/2019
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2.3 Zero Density Possums

- Plan to install a leg hold trap lean detection network in the Kaitake range being designed by ZIP.
- Virtual barrier up and running apart from F line (Eastern flank line). ZIP is waiting on new motors to liven this line.
- Five possums with GPS collars fitted to track through next 1080 operation.
- Camera detection in farmland surrounding the Kaitake range, 16/56 (29%) cameras have possum detections.
- Second pre-feed of stage two of zero density possum 1080 operation completed on 18th of September.
- Fourth fill of bait station network has been completed to ensure bait in all areas at the same time as next 1080 operation.

ZDM6	Zero Density Possum	Complete zero possum density Block B and Block C, as per agreed eradication plan	30-Aug-19	Variation to 31/12/19
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2.4 Site-led Intensive Rodent Control

Working on proposal to re focus site-led rodent control efforts to Pukeiti.

3. Research and Monitoring

3.1 Monitoring Plan

- LSDP6 - All repeat KNE condition assessment scores were maintained or improved over the 2018/2019 year.

3.2 Rural Landscape Predator Control

- All images from camera monitoring data have been processed. MWLCR to report on results.

3.3 Urban Predator Control

- No monitoring this quarter

3.4 Zero Density Possums

- Camera detection in farmland surrounding the Kaitake range, 16/56 (29%) cameras have possum detections.
- Proof of absence modelling report submitted by MWLCR.

3.5 Site-led Intensive Rodent Control

- No monitoring this quarter

4. Health and Safety

- One slip and fall incident on virtual barrier track. Additional slippery areas have been identified and ropes installed to help minimise these incidents.

5. FTE

- Internal – 8
- External – 16
- Excluding Landcare Research

Total number of jobs created by the project (part time and full time) = 28

6. Financials

- See attached spreadsheet, up to September 2019

7. Projects saving/ surpluses

- Nil.

8. Innovation

- Working with Metalform and econode to develop an econode mounting bracket for the Podi trap.
- Providing feedback to Goodnature on the performance of the 'chirp' cap and data collection dashboard and pushing for greater integration with Trap.nz.
- Continued trial of NZ Auto Traps AT220 trap.
- Input into Trap.NZ improvements for urban and rural users. Trap assignment now implemented for the rural project.
- Integrated data capture system for monitoring data of zero possum operation between TRC and TMP. Shared ARC GIS web viewer for all control and detection data.

9. Outlook

- Virtual barrier F line (Eastern flank line) to be livened in coming weeks.
- Toxic drop of stage two of Restore Kaitake possum eradication 1080 operation to commence in next available weather window.
- Move into detect and remove phase of zero possum project following 1080 operation.
- Increase urban project participation through new volunteer coordinators in both backyard trapping and reserve trapping.
- Publicise and promote retail partner to increase urban trap availability.
- Goodnature chirp cap replacement on A24 traps to continue for optimal use and data capture.
- Trap installation phase for year two of the rural predator control programme to continue.
- Urban project expansion into Waitara being planned.

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Proposal for New Zealand's next
Biodiversity Strategy**

Approved by: S R Hall, Director - Operations
B G Chamberlain, Chief Executive

Document: 2352513

Purpose

1. The purpose of this memorandum is to present for Members' information a Government proposal for a revised New Zealand Biodiversity Strategy (NZBS) and the Local Government New Zealand submission in response to that proposal.
2. Appended to this item is the regional sector's submission. A copy of the proposal is available on <https://www.doc.govt.nz/globalassets/documents/conservation/protecting-and-restoring/biodiversity-discussion-document.pdf>.

Executive summary

3. The NZBS 2000 and Action Plan (2016-2020) are non-regulatory instruments prepared by the Government setting out direction and guidance for our biodiversity system. They also contribute towards the global response to biodiversity decline.
4. In August 2019, the Department of Conservation (DOC) released the NZBS discussion document and undertook a roadshow, which included Taranaki, to test proposals recommended to be included in a revised Strategy.
5. The NZBS discussion document outlines draft proposals for inclusion in a new NZBS. The draft proposals include a strategy framework, vision, values and principles, long-term outcomes, and implementation activities. While it identifies priority actions and timeframes, the discussion document does not assign lead responsibilities for implementing those actions.
6. Local Government New Zealand, on behalf of the regional sector, has prepared the attached submission. The submission supports the intent of the NZBS but is seeking transformational change to halt the decline in biodiversity nationally. In particular, the regional sector is seeking:

- establishment of integrated biodiversity governance, leadership and accountability to improve accountability for implementation alongside providing effective and appropriate oversight of the national biodiversity system
- better fostering political will and community buy in through consistent, well coordinated and sustained action by national, regional and local government
- resolve uncertainties, overlaps and inconsistencies in relation to roles and responsibilities are resolved for all the players who need to deliver biodiversity functions
- tenure/agency neutral coordination and delivery of actions, including consistent inventory, prioritisation, monitoring and reporting frameworks
- integration of Mātauranga Māori and Te Ao Māori principles and actions to enhance biodiversity management
- a modern, fit for purpose legislative framework
- wider and consistent use of economic instruments and national funding to support biodiversity initiatives.

7. The deadline for submissions was 22 September 2019.

Recommendation

That the Taranaki Regional Council:

- a) receives this memorandum entitled *Proposal for New Zealand's next Biodiversity Strategy* and the attached regional sector submission.

Background

8. Biodiversity is the variety of all living things and ecosystems. It includes plants, animals, fungi and micro-organisms as well as the ecosystems (on land or in water) where they live.
9. *Environment Aotearoa 2019*, the three-yearly report produced by the Ministry and Statistics NZ reported that across New Zealand, our indigenous (native) biodiversity is in a state of decline. In the NZBS discussion document (refer to discussion below) it was noted that New Zealand currently has more than 4,000 species that are threatened or at risk of extinction. They include 81% of resident bird species, 72% of freshwater fish, 88% of reptile, 100 of frog, and 27% of resident marine mammal species. Many of these species are found nowhere else in the world. However, despite biodiversity's importance to New Zealand and current management responses, the decline continues. Some of the key pressures on biodiversity in New Zealand (and globally), as identified by the NZBS discussion document, are:
 - Land use – Many terrestrial habitats have been lost or fragmented through clearance for human land uses. Land clearance has reduced indigenous forests to about one-third of their pre-human extent. Similarly, wetlands have been reduced by about 90% and other ecosystems, such as active sand dunes, are also substantially reduced.

- Pollution – Run-off from intensive agricultural and urban activities can degrade freshwater, estuarine and marine habitats, leading to declines in species that depend on these ecosystems.
 - Pests, weeds and diseases – includes non-indigenous species that threaten our native flora and fauna through browsing, predation, competition and habitat modification. Pathogens which cause disease are also a key threat (e.g. Kauri dieback). Invasive species are now considered one of the greatest threats to marine, freshwater and terrestrial ecosystems in New Zealand.
 - Impacts of fishing – commercial and recreational fishing can impact biodiversity when targeted populations are reduced below sustainable levels, when by-catch occurs (when unintended species such as other fish, marine mammals or sea birds are caught), and through loss of habitats (methods such as bottom trawling destroy corals and benthic habitats).
 - Climate change – predicted climate change impacts in New Zealand include warmer air and water temperatures, sea-level rise, changes in rainfall patterns, and more extreme weather events including increased frequency and intensity of events like storms and droughts. At the moment it is unclear how native species will respond, or the extent of risks (such as further habitat loss and the invasion of new pest species) but potential risks include ocean acidification (caused by increased global carbon dioxide emissions) may cause widespread harm to New Zealand's marine ecosystems, and particularly to marine organisms with carbonate shells, for example pāua, mussels, and oysters.
10. In 2000, the Government prepared the current NZBS. The NZBS sets out direction and guidance for the maintenance and enhancement of New Zealand's biodiversity. In 2016, the Government also prepared an updated action plan for 2016–2020. Together both documents contribute towards the global response to biodiversity decline.
11. Both the NZBS and Action Plan are due to expire in 2020. Accordingly, in late 2018 the Government directed the DOC to develop a new Strategy by December 2019. Members will also be aware, that the Government is currently developing a *National Policy Statement for Indigenous Biodiversity* (scheduled to be consulted on later in the year). As part of the development of the new NZBS, DOC undertook early engagement between October 2018 and March 2019. Following feedback from that process, the Government determined to undertake more engagement and subsequently prepared a discussion document for formal consultation.
12. In August 2019, the Government released the NZBS discussion document and undertook a roadshow, which included Taranaki, to test proposals recommended to be included in a revised NZBS. The Taranaki workshop was co-hosted by Wild for Taranaki on 12 September with DOC reporting the event as having the best community attendance and input of all the workshops held.

The discussion document

13. The NZBS discussion document may be read in full on the DOC website – <https://www.doc.govt.nz/globalassets/documents/conservation/protecting-and-restoring/biodiversity-discussion-document.pdf>. The document outlines draft proposals for inclusion in a new NZBS. The draft proposals include a strategy framework, vision,

values and principles, long term outcomes, and implementation activities. While it identifies priority actions and timeframes, the discussion document does not assign lead responsibilities for implementing those actions.

14. The vision proposed for New Zealand by 2070 reads as follows:
"Nature in Aotearoa is healthy, abundant, and thriving. Current and future generations connect with nature, restore it and are restored by it."
15. Key management issues identified by the NZBS discussion document, and proposals to address those issues, include:
 - **Lack of coordination:** The discussion document notes that no one has a role to facilitate coordination, partnerships and communication between those involved in biodiversity. The document recommends an interim governance structure be set up immediately to oversee the new NZBS's implementation planning and delivery. The document contains little information about how the new governance structure should be formed or run, but the Biodiversity Collaborative Group, which last year reported on a *National Policy Statement for Indigenous Biodiversity*, recommended that biodiversity coordination should be brought under the control of DOC.
 - **Legal framework:** The discussion document highlights the raft of outdated legislation and regulation governing biodiversity and the need to fix up overlapping, contradictory, contested, ineffective laws. The document proposes one to two years of work reviewing broad governance, leadership and statutory roles and responsibilities to ensure the legislative framework is fit for purpose. Based on this review, the NZBS suggests undertaking a targeted review of natural resource legislation in the medium term (i.e. three to four years down the track).
 - **Standardised funding systems:** In the nearer term the discussion document proposes that there be an assessment of the approach to funding for community conservation, including aligning funding with conservation need and regional/national priorities, increasing the focus on monitoring and delivery of outcomes, and streamlining processes to reduce transaction costs, including reporting.
 - **A more integrated approach:** Much of the discussion document underlines the need to protect wider areas of the environment in an integrated landscape-scale approach, which ties in with the Predator Free 2050 work on this scale. It also suggests integrating biodiversity management into farm management, for example through inclusion in integrated farm plans. The discussion document states that further work is needed to ensure local councils adopt regional biodiversity strategies and recommends that there be a review of DOC and regional councils' prioritisation systems with a roll out of a coordinated national prioritisation system for ecosystem-based management, as well as site- and species-based management.
16. A set of measurable goals that will help to collectively track progress towards the new NZBS long-term outcomes and vision will be set out in the implementation plan (to be developed). These goals will describe what is to be achieved by 2025, 2030 and 2050. An initial set of proposed goals are detailed in the NZBS discussion document. These 'measures of success' include that by 2025:
 - (1) there is no further decline in the number and extent of wetlands;
 - (2) all areas of significant biodiversity on land are mapped and protected;

- (3) all marine ecosystems are mapped and evidence-based priorities for protection and management established;
 - (4) all predators and non-indigenous browsers are eradicated from all offshore island nature reserves and other priority biodiversity hotspots;
 - (5) there is no net loss of extent of rare and naturally uncommon terrestrial ecosystems (e.g. active sand dunes, braided riverbeds, estuaries, and cloud forests);
 - (6) ten key freshwater pest species and ten key land-based weed species are reduced or controlled to a level that does not diminish ecological integrity; and
 - (7) marine protected areas established in priority areas, and priority risks being actively managed.
17. The discussion document invited feedback on the proposals. The deadline for submissions was 22 September 2019. Although of note, DOC agreed to Local Government New Zealand having an extension so that they could incorporate feedback from a range of regional sector special interest groups, including coastal, marine, policy and the resource managers groups.

Regional sector submission

18. Local Government New Zealand, on behalf of the regional sector, has prepared the attached response to the discussion paper. It was developed with input from across the sector, including this Council.
19. The submission notes that the regional sector strongly supports the intent of the draft NZBS. However, it is suggested that success will only come through effective implementation and realistic government resourcing.
20. The submission refers the Minister of Conservation to the regional sector 'think piece' – *Addressing New Zealand's Biodiversity Challenge*, which was prepared in 2017. The think piece identified five key shifts recommended to achieve improved outcomes for New Zealand's biodiversity. Of most urgency is the need to address the currently fragmented and inconsistent approach to biodiversity management and leadership across New Zealand. This is a perennial issue around the overall leadership for New Zealand's biodiversity system and ensuring clarity of roles and responsibilities.
21. The submission notes that the development of the new NZBS, for the first time in two decades, presents a significant opportunity to push boundaries, take a strong stance, and set the stage for transformational change required to halt the decline in biodiversity nationally. In particular, the submission urges the NZBS/Minister to focus on the establishment of an effective shared governance model involving all the major players. To support this, the submission suggests that the first five years of action should focus on:
- establishing integrated biodiversity governance, leadership and accountability to improve accountability for implementation alongside providing effective and appropriate oversight of the national biodiversity system
 - fostering political will and community buy in through consistent, well-coordinated and sustained action by national, regional and local government
 - clarifying biodiversity functions by resolving uncertainties, overlaps and inconsistencies in relation to statutory roles and responsibilities

- ensuring tenure/agency neutral coordination and delivery of actions, including consistent inventory, prioritisation, monitoring and reporting frameworks
 - integrating Mātauranga Māori and Te Ao Māori principles and actions to enhance biodiversity management
 - establishing a modern, fit for purpose legislative framework that sets clear legislative direction around roles and responsibilities for biodiversity and resolves key inconsistencies and contradictions currently present in the legislative framework
 - supporting wider and more consistent use of economic instruments to fund biodiversity initiatives. Funding for biodiversity implementation activities must be multi-year, multi-agency to ensure that appropriate capacity and capability can be built and maintained within the system.
22. As noted in the submission, regional councils play a pivotal role in the protection of indigenous biodiversity. They are the second largest contributor to biodiversity management in New Zealand and have heavily invested in biodiversity interventions across the country. The level of regional sector investment is largely unacknowledged in the draft NZBS.
23. In terms of where to from here, DOC are currently reviewing the feedback received via the consultation and submission process. This will then inform the development of the new NZBS.
24. After Cabinet approval, the new NZBS will be publicly released by the Minister of Conservation. Following the publication of the new NZBS, DOC have stated that they will undertake a collaborative process to develop an implementation plan. The implementation plan will sit alongside the new NZBS to direct action towards the vision and long-term outcome.

Decision-making considerations

25. Part 6 (Planning, decision-making, and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the Act.

Financial considerations—LTP/Annual Plan

26. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

27. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991*, the *Local Government Official Information and Meetings Act 1987*, and the *Biosecurity Act 1993*.

Iwi considerations

28. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

29. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendix

Document number 2358173: LGNZ submission.

9 October 2019

Hon Eugenie Sage
Minister of Conservation
Private Bag 18888
Parliament
Wellington 6160

Dear Minister

Thank you for the opportunity to provide feedback on the discussion document for the draft New Zealand Biodiversity Strategy, Te koiroa o te koiroa (NZBS).

The following feedback has been provided on behalf of all sixteen regional councils and unitary authorities (the Regional Sector). We are collectively seeking to drive improvements in the delivery of biodiversity functions nationally and collaboratively work alongside DOC to achieve biodiversity gains. We would like to continue to work in partnership with DOC to refine and complete the NZBS.

The Regional Sector is the second largest contributor to biodiversity management in New Zealand, is heavily invested in biodiversity interventions across the country, and wants to see the NZBS succeed. Development of a national strategy for the first time in two decades presents a significant opportunity to push boundaries, take a strong stance and set the stage for transformational change required to halt the decline in biodiversity nationally. In this respect the Regional Sector **strongly supports** the intent of the draft NZBS. **We consider that the success will only come through effective implementation and realistic government resourcing and have therefore focused our comments on these aspects.**

In 2017 the Regional Sector completed a Thinkpiece – Addressing New Zealand's Biodiversity Challenge, which identified 5 key shifts that are recommended to achieve improved outcomes for New Zealand's biodiversity. Of most urgency is the need to address the currently fragmented and inconsistent approach to biodiversity management and leadership across New Zealand. This is a perennial issue around the overall leadership for New Zealand's biodiversity system and ensuring clarity of roles and responsibilities.

The Regional Sector believe this is the most important "Shift" required to ensure NZ has the best biodiversity system in the world to protect what is uniquely ours. The Thinkpiece made the following recommendations in this regard:

Objective:

The national biodiversity management system develops clear system-wide leadership at both national and regional levels.

That such leadership fosters functional collaborative rather than competition in the identification, prioritisation and delivery of biodiversity projects.

Actions:

- 1) Promote investigation of options for new national leadership models for biodiversity management including a National Biodiversity Management Authority comprising all major statutory and financial stakeholders (including local government and iwi representation) with:
 - a) A governance role (including recommending and overseeing the changes required to enhance performance and ensure on-going clarity of roles and direction); and

- b) A limited management role. (Establishing priorities and co-ordinating delivery against those priorities; raising awareness of, and financial support for, biodiversity across all sectors; and overseeing the national response to monitoring biodiversity).
- 2) Ensure that any new biodiversity leadership entity has clear mandate from, and is accountable to, government Ministers, preferably through the entity and its roles and function being recognised in statute.
- 3) Develop leadership arrangements at the sub national level that encourage collaboration in the undertaking of biodiversity responsibilities, including in the planning, prioritisation and implementation of specific projects (using Nature Central as potential model).

Without the necessary leadership we believe it will be challenging for NZ to be clear on our collective battle plan, how we will achieve it and to know if we are succeeding. We would therefore consider that the first priority for the NZBS should focus on the establishment of an effective shared governance model.

In support of the above, we consider that the first five years of action should focus on the following:

1. **Establishment of integrated biodiversity governance, leadership and accountability** – Strong sustained leadership will be essential to drive the delivery of the NZBS long term. Establishing robust governance will improve accountability for implementation alongside providing effective and appropriate oversight of the national biodiversity system. We consider that a governance group representing the major players should be established as a priority.
2. **Fostering political will and community buy in** – The long-term success of the NZBS will rely on sustained political will and community buy in to achieve the outcomes sought. Consistent, well-coordinated and sustained action will be required by national, regional and local government to build political will and community ownership in relation to tackling key biodiversity issues.
3. **Clarified roles and responsibilities** – ensuring that uncertainties, overlaps and inconsistencies in relation to roles and responsibilities are resolved for all the players who need to deliver biodiversity functions, and at all levels from national to local.
4. **Tenure/agency neutral coordination and delivery of actions** – We need to reach agreement as to where we should focus our efforts and resources at national, regional and local levels. This will require considerably more formal cross agency planning focusing on, a tenure neutral approach that includes consistent inventory, prioritisation, monitoring and reporting frameworks, and delivery at regional and local levels. The aim is to achieve effective, joined up action with real, on the ground outcomes for indigenous biodiversity, by ensuring everyone is working on shared priorities.
5. **An integral role for iwi** – we consider iwi to be essential to the success of the NZBS and wholly recognise the role of iwi as kaitiakitanga at all levels. We support the integration of Mātauranga Māori and Te Ao Māori principles and actions to enhance biodiversity management. We see the role of iwi as an integral part of the biodiversity management system and consider that all opportunities for partnership and integration should be realised.
6. **Fit for purpose legislative framework** – a modern, fit for purpose legislative framework that resolves key inconsistencies and contradictions. A strong legislative framework should support and provide for the best interests of biodiversity with clear legislative direction around roles and responsibilities. It should include biodiversity bottom lines, the ability to impose more stringent measures, and enable a range of tools, including complementary non-regulatory measures and considering all contributors to the biodiversity system.
7. **Use of economic instruments and funding** – Wider and consistent use of economic tools, such as incentives and levies for maintenance and restoration, will be important to support a value proposition for biodiversity. Improving and sustaining eco-system health and regenerating natural systems will be a fundamental component to support New Zealand's shift towards a circular economy that is focussed on reuse and reducing negative externalities. Funding for biodiversity implementation activities must be multi-year, multi-agency to ensure that appropriate capacity and capability can be built and maintained within the system.

The Regional Sector sees the proposed NZBS as an opportunity to establish a more coordinated approach and a structured biodiversity system, based on some clear definition of the problems that continue to result in ongoing losses of biodiversity. We believe this could create significant improvements in the way that New Zealand collectively tackles biodiversity issues and achieves biodiversity outcomes.

We *will* all need to work together to succeed and that includes working collaboratively to finalise a strategy that truly reflects the views of all participants in a national biodiversity system. Despite noting the need to shift away from silos to a system of “true collaboration, co-design and partnership”, due to a short development timeframe the NZBS has largely been drafted with limited engagement and/or opportunity to engage on key aspects. As a result this creates significant risk around ownership and delivery of what should be a true NZ Inc. strategy. Noting the regional council sector would like to partner and assist in further development of the NZBS and its successful implementation.

A key driver for regional councils is the role that we play working with landowners, iwi and community to maintain biodiversity on private land. Private land is an essential part of the network for maintaining and restoring the full range of habitats and ecosystems and establishing mountains to sea connectivity. We want to help with bringing this clearly into the NZBS. The draft document is DOC-centric, supporting existing work, and work undertaken on public conservation land or by DOC, more so than developing a true NZ Inc. feel and a forward-looking, co-designed approach.

We wish to continue to work in partnership with the DOC, and the other participants in biodiversity, to establish governance, engage in the further shaping and direction of the NZBS, and develop implementation plans that will achieve real outcomes. Further narrative around our key points noted above is provided in **Attachment A**.

Thank you for the opportunity to provide this feedback. Our focus is on the high-level principles of what the NZBS is aiming to achieve and the need for leadership and structure around biodiversity. Individual councils will also be providing submissions from their own regional perspectives. We look forward to engaging further on this important work, and working together on the implementation of a final NZBS.

Yours sincerely,



Doug Leeder
Chair, Regional Sector
Local Government New Zealand

Supplementary feedback

This attachment provides further commentary on the key themes raised in the covering letter. The following feedback has been provided on behalf of all sixteen regional councils and unitary authorities across New Zealand. We are collectively seeking to drive improvements in relation to the delivery of biodiversity functions nationally and collaboratively work alongside DOC to achieve biodiversity gains. We would like to continue to work in partnership with DOC to refine and complete the NZBS.

This feedback is offered in the context of regional and unitary councils' roles (regional councils), functions and responsibilities under the Resource Management Act 1991 (RMA), the Local Government Act 2002 (LGA), and the Biosecurity Act 1993.

1. Establishment of integrated biodiversity governance, leadership and accountability

The Local Government Thinkpiece, the Willis Report (2014), identified five recommendations for change to address New Zealand's biodiversity challenge:

1. The need for strong leadership and clarity of roles and responsibilities;
2. The need to agree where we should focus our efforts at national, regional and local level;
3. The importance of a national plan and delivering joined-up action across all players;
4. The need to understand what success looks like, and how to measure it; and
5. The need for modern, fit-for-purpose frameworks, including legislation, to help achieve our goals.

These are all considered important for establishing a biodiversity system that is inclusive of all players. We consider these shifts are very much valid in the context of the draft NZBS and that governance should be established now. Iwi are integral to all parts of the biodiversity system and must be part of this governance at national level. It is critical to support and protect existing relationships at all levels (eg Treaty partnerships and regional or sub-regional co-Governance forums), and enable the review and modification of such arrangements to adapt to changes in desired outcomes.

We believe the key to achieving biodiversity outcomes relies on establishing a robust structure at the outset, and an indicator of what success looks like in this regard, should be developed and included in the strategy. We see the establishment of a cross sector Governance group as a crucial first step that should be undertaken now. This would provide leadership and accountability, and work collectively in relation to the following:

- An initial structure to complete the development of the NZBS and begin the implementation work, while being tested and refined over time.
- A collaborative and co-designed NZBS that is inclusive of all participants.
- Roles and responsibilities can be determined across the sectors and players early.
- Driving consistent approaches to prioritisation for biodiversity towards the achievement of the goal to protect a full range of terrestrial and marine ecosystems and habitats nationally.
- Driving consistent monitoring and reporting to establish a true national picture for reporting back to international bodies.
- Further development of the engagement element for the NZBS is required, without broad understanding and buy-in there is risk of failure to enable meaningful change to occur.

The governance structure doesn't need to be static; it could evolve and shift as the needs require and/or remains a core group that maintains oversight over a range of workstreams that change as needs demand. We note that there is no measure of success that is linked to developing a governance structure and biodiversity system and consider this to be essential given that it is a key shift.

Key early (1-5 years) actions for the governance group could include:

- Development of implementation/action plans to drive the project work that will be needed, with assigned leads for different workstreams, and logical sequencing of actions based on dependencies and the ability to have some workstreams running in parallel.
- Drive the implementation of key workstreams.
- Assist with a review and rationalising legislation, highlighting the elements causing confusion and proposing possible solutions.
- Oversight and collaborative refining of the draft National Policy Statement for Indigenous Biodiversity (NPSIB), identifying common themes of concern, and linking it firmly with the NZBS.
- Assess the effectiveness and efficiency of the NPSIB and how it supports and/or complements the achievement of the objectives of the NZBS. Initially short term (1-5 years), this would support the development of future iterations into the medium and long term as a comprehensive framework comes together.
- Identifying a range of tools to communicate and implement a strategic approach from national to regional and local levels.
- Agree on a methodology for identifying national priorities and implement this across all tenures.
- Establish and agree national monitoring standards and work together as a sector, and with central government agencies and DOC to implement monitoring networks and reporting in a consistent way.

2. Fostering political will and community buy in

There is a need to generate the political will needed at national, regional and local levels to support and sustain the changes and actions needed to make the NZBS successful. Engagement opportunities need to be provided for all the players to foster collective buy-in from the range of stakeholders who either participate or have an interest in biodiversity in New Zealand. Implementation planning will need to engage with all the players and provide visibility as to how tangible outcomes will be achieved and by whom. This will also provide visibility as to initiatives that are already in motion and provide insights into the effectiveness of different models already in play.

Clear problem definitions early in the document should explicitly state what the NZBS is aiming to address. This can then provide a strong basis for identifying potential solutions, and for engagement and implementation by providing a clear understanding of why the NZBS is asking for a particular action, and what it aims to achieve. It then also provides support for the measures of success. Sustaining political will needs clear road maps. These should challenge participants, but not impose unachievable obligations without the supporting mechanisms and resources that go with them.

A biodiversity strategy that any individual - a private landowner with biodiversity values on their property, a member of the general rural or urban based public, an employee of an agency or government department with responsibilities for biodiversity - can pick up and identify a problem and a clear action and contribution that they can make to a solution should be a key aim in shaping the document.

3. Clarified roles and responsibilities

One of the recurring themes in biodiversity management is about who has the overall leadership role and where the responsibilities of the other participants begin and end (Willis, 2014). Numerous public agencies have a role in managing threats to biodiversity. While there are no obvious gaps in the coverage of powers and responsibilities the overall distribution of roles lacks an obvious coherency. (Willis, 2014).

Although the Department of Conservation has a significant mandate in biodiversity management and provides some leadership, this is largely focussed on Public Conservation Land (PCL) and while there are examples, DOC doesn't often engage in significant and sustained management of species and/or ecosystems outside of PCL, and not as a matter of course.

Regional councils' biodiversity function is not limited to any of its "control" functions but is a stand-alone function able to be given effect to through any methods (regulatory or non-regulatory) available to them (Willis, 2014). As a sector, regional councils have claimed and shaped their role in biodiversity in the absence of concrete direction. We invest significant resources into biodiversity management, and into monitoring and reporting against biodiversity measures, and we collaborate with others at a regional level already. The level of investment clearly indicates a commitment from the sector to exercising their functions with respect to biodiversity, and awareness of the value in working together and pooling resources at local and regional levels, however this is largely unacknowledged in the draft NZBS, particularly in the implementation section of the document.

There is clearly a link in defining roles and responsibilities and the current legislative framework that is in need of a significant review to resolve conflicts and confusion. While this review is being completed, strong leadership from a governance group could help to bridge this to some extent, by identifying and agreeing on roles for some of the NZBS delivery and support the review.

4. Tenure/agency neutral coordination and delivery of actions

Local biodiversity outcomes are achieved through local management effort. The challenge regionally and locally is to translate national priorities and targets into regional and local plans and programmes so that priorities are addressed by action on the ground. This will require agreement of national priorities and targets to which all participants contribute, and the methods being used to prioritise for both terrestrial and marine ecosystems. Maintaining and restoring the full range of habitats and ecosystems (across their natural ranges) must be retained as a key goal and basis for prioritisation in the new NZBS. The process will need to be completed at national level, cover all tenures, and clearly identify priorities nationally. This can then be taken down to regional level so that nationally common, but regionally unusual examples can also be retained as a priority. Resources and funding can be a barrier in biodiversity management and must be managed as a key component in achieving biodiversity outcomes, directed at ecological priorities and not just "easy wins".

There are currently significant information gaps about the state and trend of NZs biodiversity. This is an area that councils and government agencies have been working collectively together and this should continue. Ensuring a clear understanding of NZs biodiversity monitoring framework across national, regional and local levels is required. Much work has occurred around developing a terrestrial monitoring framework for regional councils, understanding how this fits within broader national level monitoring and responsibilities of such are needed. Ensuring an appropriate level of resourcing is available for monitoring is a key element of success in this area, and is something that needs further work across government and councils.

The current picture for biodiversity is largely focussed on PCL and doesn't identify the continuing threats and losses to biodiversity on private land. This gives international bodies a false picture of the state of biodiversity in New Zealand, and responsible agencies a fragmented and conflicting impression that can be quite different to what is being seen on the ground and on private land. Marine ecosystems also need attention, with coordination and consistency applied across agencies for mapping priorities and monitoring.

While regional biodiversity hubs can provide a level of regional coordination, they are also resource hungry to implement and don't necessarily achieve the outcomes on the ground that are being sought.

Similarly, regional biodiversity strategies, also an action in the NZBS, are only one of the supporting tools to deliver the NZBS and coordinate regional and national efforts.

A clear problem definition that strategies are going to address is not provided in the NZBS, and it is clear from the variation in existing regional strategies that this will vary across the regions from wide community collaboration to providing an internal road map for biodiversity work within a Council. Strategic planning and prioritisation of biodiversity efforts can be arrived at in different ways that then direct on the ground operational works to achieve real biodiversity outcomes. It doesn't need to be mandatory or heavily defined in order to achieve regional and joined up national biodiversity outcomes. Provided the national direction and agreed priorities are clear, they can be implemented at regional level through a range of means. Regional strategies involving the wider community are resource hungry to establish, to consult/collaborate with many stakeholders, and don't always achieve the outcomes. In addition, regional and sub-regional strategic planning (eg; integrated catchment plans) can be more effective at identifying local priorities and getting concentrated effort in a smaller area that is more tangible to local communities and feels more achievable. The NZBS must define the outcome it is aiming to achieve, but the methods should be flexible.

It is also important to note that an emphasis on identifying and protecting Significant Natural Areas (SNAs), listed as a measure of success (by 2025), can have perverse outcomes and needs to be backed by other general coverage of indigenous biodiversity values, and activities that impact on those. Where SNAs are mapped and scheduled it is often perceived that any site or area not mapped is of no value and can be developed. Conversely, the scheduling of all biodiversity sites into a regulatory plan can reduce the perceived value of that designation. The problem is not whether or not sites are mapped or defined, as this in itself has not prevented significant losses on private land. The problem is the ability to actively enforce the protection that is theoretically being provided through regulatory measures in district plans, or to develop community understanding around why these areas are important and need to be maintained. Regardless of scheduling and rules, sites on private land are still being lost and/or eroded away at an alarming rate. Other measures are often more effective, and active management of biodiversity is almost always required to achieve maintenance of biodiversity values. This usually requires involvement and buy-in from landowners, ensuring there are no barriers to their positive engagement is vital if biodiversity is to be protected and enhanced in a meaningful way.

While we agree that inventory of biodiversity sites is a critical first step in prioritising where resources should be directed, we also note that high quality inventory and mapping of SNAs is expensive and beyond the ability of some territorial authorities and regional councils to fund. Responsibility for identifying biodiversity values nationally or at regional level should be considered.

Encouraging innovative tools for monitoring, national standards for monitoring, data commons and learning from others should also be considered.

5. An integral role for iwi

Iwi need to be an integral component of a new biodiversity system. Te Ao Māori and Mātauranga Māori principles need be incorporated at the earliest stage so that they provide a thread throughout the system and become part of the mainstream approach. Opportunities for partnership and integration should be identified and implemented from the beginning, and as part of the process of establishing governance for a new system.

6. Fit for purpose legislative framework

The draft NZBS acknowledges that *“the current policy and regulatory frameworks for protecting biodiversity in New Zealand have been criticised for being inconsistent, disjointed, under-resourced and poorly enforced, resulting in the failure to achieve many biodiversity outcomes. There is no clear and universal mandate to protect species or ecosystems across all environments, and there are inconsistencies in how species are managed under different Acts”*.

We fully support the need for a review of the legislation around roles and responsibilities in biodiversity, and that this should be worked through the NZBS.

This does raise a concern around the NPSIB being used to define some roles and responsibilities ahead of a whole-of-system-review, and that it may further confuse some of the roles. For example, the proposal through the NPSIB to give councils responsibilities for highly mobile fauna is a significant shift from the Department of Conservation's mandate and responsibilities under the Wildlife Act 1953. This would also bring species conservation into an RMA framework which we do not consider appropriate.

As a part of the legislative framework, we are concerned that the NPSIB being developed in parallel, will be seen as the main instrument to deliver to the NZBS. This may be premature and fail to account for key requirements feeding out of the NZBS. While the NPSIB is a useful tool for establishing bottom lines, it must not become a pseudo strategy for New Zealand, or be put forward so that it is seen as the only tool to deliver the biodiversity strategy.

An emphasis on measures such as the development of biodiversity strategies and inventory of all SNAs won't achieve anything without the rest of the framework, and without strong leadership and a robust biodiversity system and structure.

There is also concern that political will can easily shift with the changes in emphasis that inevitably arise from changes in government, and the priorities of the dominant party. A strong legislative framework needs to be in place to safeguard New Zealand's ability to protect its indigenous biodiversity for the long term.

7. Use of economic instruments and funding

Economics and profit-making are key drivers of biodiversity loss on private land. Currently landowners are driven by economic viability and biodiversity sites are rarely seen as an added value to their operation or as an opportunity to give back or diversify their land use and income base. They are more frequently seen as an inconvenience and a cost to the business. Development opportunities that generate economic gain frequently override biodiversity values at local levels. The models for land use are still very much about production and profits as the priority for bottom lines and profits continue to be made from biodiversity decline. While this may be driven by external factors such as industry demand, regulatory requirements, the need to service debt, uncertainty as to how to begin, or the capacity of a landowner to undertake the work themselves or cover the costs, biodiversity does not appear to be a top priority for many landowners and developers.

One tool that can be used to influence changes in thinking, are economic incentives that provide some real value to private landowners of biodiversity sites. Rates relief is currently not a well-known option, the processes are not straightforward, and the financial value of the relief is perceived as being not worth the effort. More work is needed to influence landowners to think differently about biodiversity sites, to view their land as having multiple values and multiple use opportunities to diversify, and that maintaining biodiversity is a way of giving back to the wider community. A circular economy approach connects with the broader view of nature being presented by the NZBS.

It is important to note that actions for delivery in the implementation plan will require significant resourcing, which is beyond regional councils and territorial authorities, particularly those with large land masses, extensive biodiversity and/or small rating bases (eg; West Coast SI, East Coast NI, Northland). The NZBS needs to consider how the implementation will be funded and from what sources.

There is significant value in the application of comprehensive, nation-wide, all tenures inventory and prioritisation, a Tier 1 monitoring network and ability to report nationally. Regional councils do have a requirement under the RMA to report against regional policies and plans, however many councils are limited in their ability to resource extensive regional monitoring networks. At least some of this value accrues to central government agencies, who are responsible for national scale reporting. However, the costs, outside PCL, appear to be expected to be carried by the regions. Without supporting all councils, the Government's ability to report robustly on the state of biodiversity in New Zealand will remain fragmented.

Successful implementation of the NZBS overall will not occur without significant resourcing from central government. Funding, including the development of people capability and capacity, and successfully implementing the action plan, will all require significant investment in order to normalise biodiversity at all levels. Without this, mana whenua will struggle to participate, action will not be able to be translated from national priorities to local on the ground action, and the NZBS will fail to achieve anything for biodiversity. Financing must be committed for the long term, and across agencies, to support delivery of the NZBS. Existing funding availability is outstripped by the demands of halting the decline in biodiversity let alone turning that into the improvements that the draft NZBS is seeking.

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

Subject: *Our marine environment 2019: MfE and Stats NZ report*

Approved by: GK Bedford, Director – Environment Quality
BG Chamberlain, Chief Executive

Document: 2353442

Purpose

1. The purpose of this memorandum is to introduce and briefly discuss '*Our marine environment 2019*', the latest report in New Zealand's environmental reporting series prepared by the Ministry for the Environment and Stats NZ.
2. The full report can be found at <https://www.mfe.govt.nz/sites/default/files/media/Environmental%20reporting/our-marine-environment-2019.pdf> while a summary report can be found at <https://www.mfe.govt.nz/sites/default/files/media/Environmental%20reporting/our-marine-environment-2019-summary.pdf>.
3. A media release can be found at <https://www.mfe.govt.nz/news-events/new-zealand-marine-report-released>.

Executive summary

4. The Government released '*Our marine environment 2019*', the latest report in New Zealand's environmental reporting series, on 17 October 2019.
5. The report begins the second cycle of domain reporting at the national level. It updates *Environment Aotearoa 2019* and *Our marine environment 2016* by presenting some new data and findings.
6. The report applies a pressure, state, impact model for reporting but unfortunately does not contain any commentary on what is being done in response to the issues raised. As noted in previous reports to this Committee on national state of the environment reporting, this tends to promote a rather negative view of what is happening and the perspective that very little is being done about it.
7. Four priority marine issues have been identified in the report:
 - Our native marine species and habitats are under threat;

- Our activities on land are polluting our marine environment;
 - Our activities at sea are affecting our marine environment; and
 - Climate change is affecting marine ecosystems, taonga species and us.
8. The Committee may note in respect of these four issues, that the Council is taking action in accordance with its statutory functions and responsibilities. This includes the preparation of a reviewed *Regional Coastal Plan*, the preparation of a proposed *Regional Land and Water Management Plan*, appropriate consenting and close monitoring of resource consents in the coastal marine area and implementation of the Council's voluntary riparian and sustainable land management programmes.

Recommendation

That the Taranaki Regional Council:

- a) receives the memorandum '*Our marine environment 2019: MfE and Stats NZ report*'.

Background

9. The national report '*Our marine environment 2019*' was released on 17 October 2019.
10. The Environmental Reporting Act 2015 requires the Secretary for the Environment and the Government Statistician to produce regular reports on the state of the environment.
11. Under the Act, a report on a domain (marine, freshwater, land, air, and atmosphere and climate) must be produced every six months and a whole-of-the-environment (or synthesis) report must be produced every three years. Each domain report has now been published at least once. The most recent synthesis report *Environment Aotearoa 2019* was published in April 2019 and was reported to this Committee in June 2019. The previous marine report was *Our marine environment 2016* and this was presented to the Committee in November 2016.
12. *Our marine environment 2019* therefore begins the second cycle of domain reporting at the national level. It updates *Environment Aotearoa 2019* and *Our marine environment 2016* by presenting some new data and findings.
13. As required by the Act, measures of state, pressure, and impact are used to report on the environment. The logic of this framework is that pressures cause changes in the state of the environment and these changes have consequences (impacts). The report describes impacts on ecological integrity, public health, economy, te ao Māori, culture and recreation to the extent that is possible with the data available. While, strictly, 'impacts' could be positive as well as negative, the reality of the domain reports is that they almost exclusively highlight only negative aspects of what is happening within each domain.
14. Unfortunately, from the Council's perspective, suggesting or evaluating any responses to environmental impacts is beyond the scope of the Act. We have commented on this aspect of the national state of the environment reporting system in previous memos to the Council, and indeed in submissions on the Environmental Reporting Bill. While we acknowledge the statutory limitations of the reporting system, the absence of any commentary on what is being done in responses to the issues raised tends to promote a

rather negative view of what is happening and the belief that very little is being done about it.

15. However, the report does provide a national level update on the most recent data about the state of the marine environment. It reports not only on our extensive coastline, harbours and estuaries, but also extends out to include our Exclusive Economic Zone, one of the largest in the world.
16. Members should note that the issues identified in the report are not an exhaustive list of all issues our marine environment faces. Some issues will have impacts on the marine environment but are not featured, as they do not rank as highly against the criteria applied in the report. These criteria include things such as spatial extent and scale, departure from natural conditions, irreversibility and lasting effects of change, and scale of effect on culture, recreation, health and economy.

The report

17. Four priority marine issues have been identified in the report:
 - Our native marine species and habitats are under threat;
 - Our activities on land are polluting our marine environment;
 - Our activities at sea are affecting our marine environment; and
 - Climate change is affecting marine ecosystems, taonga species and us.

Native species and habitats

18. The main finding under this issue is that there has been a decline in biodiversity and habitat condition and extent as a consequence of human activities.
19. The report estimates that 30% of New Zealand's biodiversity is in the sea 'but many species and habitats are in trouble' (Summary report page 1). While very few marine species were assessed in the report (675), of these, 22% of marine mammals, 90% of seabirds and 80% of shorebirds were assessed to be threatened with, or at risk of, extinction.
20. The number of identified, non-native marine species established in New Zealand is rising and now totals 214. Many of these can spread rapidly and some affect native species. Furthermore, our estuaries and habitats provide marine life with food and shelter but many of these were found to be decreasing or under threat.
21. These changes and declines in native species and habitats were not found to be due to a single pressure but were the combination of what we do on land, in the sea and ongoing pervasive pressures from climate change.

Activities on land

22. As a general observation, the report found that activities on land, particularly agriculture and forestry, and expanding cities, increase the amount of sediment, chemicals and plastic that enter the marine environment.
23. The main findings of the report in relation to land use activities were that:
 - Intertidal sedimentation rates have generally increased and become highly variable since European settlement;

- Coastal water quality is variable and generally improving at a national level but is very site dependent;
- Some pollutants, such as pharmaceuticals and cleaning products, end up in the marine environment but the impacts of this are not well understood;
- Litter and plastic debris is increasing and this affects shellfish, fish and birds.

Activities at sea

24. The report concludes that our activities at sea such as fishing and aquaculture, shipping, mining for offshore minerals and coastal development, provide value to our economy and support growth, but do have impacts on the marine environment that become more intense nearer the coast.
25. The main findings of the report in relation to activities at sea include:
 - Fishing pressure has eased but some stocks remain overfished. Since 2009, the total commercial catch has remained stable at less than 450,000 tonnes per year. In 2018, 84% of routinely assessed stocks were considered to be fished within safe limits, an improvement from 81% in 2009. Of the 16% that were considered overfished, nine stocks were 'collapsed', meaning that closure should be considered to rebuild the stocks as quickly as possible;
 - Bycatch of most protected species is decreasing but remains a serious pressure on some populations of seabirds, particularly albatross and petrels. Bycatch of Māui and Hector's dolphin has decreased in the last 20 years;
 - Seabed trawling and dredging have decreased in the last 20 years;
 - Shipping and cruise ship traffic has increased and vessel size has also increased. Boat traffic is associated with the spread of non-native species and discharge of pollutants such as sulphur dioxide and particulate matter and an increased risk of accidental oil spills;
 - Coastal development such as seawalls, reclamations and port developments affect coastal communities and habitats.

Climate change

26. Measurements of sea-surface temperatures in New Zealand's coastal water shows an average 0.2 degrees warming per decade since 1981. The report has found that the rate of sea-level rise is also increasing. The average rate of rise in the last 60 years (2.44mm/year) was more than double the rate of the previous 60 years (1.22mm/year).
27. Early indications are that extreme wave events may be becoming more frequent although the short time period for which data is available makes it too early to determine a definitive trend.
28. There is also some evidence of increased acidity in New Zealand's oceans and coastal waters. Long-term measurements off the coast of Otago show an increase of 7.1% in ocean acidity in the past 20 years. Oceans are predicted to become more acidic as more carbon dioxide is absorbed which will increase stress on New Zealand's aquaculture industry.
29. Warmer sea-surface temperatures affect the growth of phytoplankton (microscopic plankton capable of photosynthesis found in oceans and freshwater) which can have

much wider impacts on species distribution and populations. New species have also been observed in New Zealand waters as climate change brings warmer water inshore.

30. Rising sea levels and extreme wave events are likely to affect coastal communities and infrastructure. More than 6,000 kilometres of drinking water, wastewater and stormwater pipes and 2,000 kilometres of roads are at risk, under the sea level rise scenario set out in the report. The total replacement value of all of New Zealand's potentially affected coastline, buildings and port and harbour facilities could exceed \$19 billion. Recreation and heritage sites, marae and other cultural sites are also at risk.

Towards a better understanding of our environment

31. The report notes that all of these pressures have interacting and cumulative effects on coastal water and oceans and that this is one of the most urgent problems we face in managing our oceans. Given the complexity of the marine environment and lack of long-term data, these cumulative effects are difficult to predict.
32. It notes that the ability to report on the impacts of changes in species and habitats in the marine environment is limited by a lack of baseline data, our understanding of tipping points and the connections between different domains. Working together to incorporate mātauranga Māori and other science disciplines in oceans management will be crucial in improving our understanding of these effects.
33. The report concludes with a call for our knowledge and reporting systems to be strengthened. It notes that with limited resources and an extensive marine environment we will need to be innovative and to focus our actions on where the impact is likely to be greatest. This includes aligning, coordinating and building on efforts across knowledge and reporting systems, and across sectors.

Discussion

34. The first thing for Members to note is that the marine environment which is the subject of the report is a vast area encompassing not only New Zealand's coastline and territorial sea (the area within which this Council has jurisdiction) but also New Zealand's Exclusive Economic Zone which extends out to 200 nautical miles offshore from the outer limits of the territorial sea.
35. In addition, the various roles and responsibilities in the marine environment are divided among a number of different agencies making for a more complex regime than for other domains. For example, while the Council has resource management responsibilities in the coastal marine area (from the high tide mark out to 12 nautical miles offshore), other agencies are responsible for fisheries management, marine mammals protection and marine reserves among others, both within and outside the 12 nautical mile boundary.
36. Mention has already been made of the reporting model adopted in the report, which does not discuss responses to the issues raised. This leaves open the question of what is being done with respect to those issues and whether the relevant agencies are making progress in addressing them. This is in contrast to the Council's last state of the environment report '*Taranaki as one – Taranaki Tāngata Tū Tahi*' (2015) which includes a chapter on our region's coastal and marine environment. This chapter includes a

discussion of the pressures on the marine environment, the state of the marine environment and our responses to current and future pressures.

37. In respect of the four large issues that the report deals with, the Committee may note the following with respect to the Council's functions and responsibilities:
- The Council has recently approved a reviewed proposed *Regional Coastal Plan* under the Resource Management Act which has a number of provisions relating to the identification and protection of areas of ecological value, natural features and landscapes and coastal water quality;
 - The proposed *Regional Coastal Plan* provides for the protection of marine species and habitats in processing resource consents within the coastal marine area. It identifies and maps significant indigenous biodiversity areas in the coastal marine area, including the West Coast North Island Marine Mammal Sanctuary and the significant seabird area;
 - The proposed Coastal Plan also contains objectives, policies and rules to control a range of activities that occur at sea within the coastal marine area, including discharges of contaminants to the environment; the erection or placement of structures; the disturbance or deposition or extraction of material; reclamation or drainage activities and the taking or use of water, heat or energy. These have been carefully developed on the basis of comprehensive information to reflect appropriate and effective management of the marine domain;
 - The Council's *Fresh Water Plan* and *Soil Plan* contain policies and rules to control activities on land that may impact on the marine environment. These policies and rules are being reviewed as part of the preparation of a proposed *Regional Land and Water Management Plan* and will include rules relating to riparian strips along waterways, the discharge of farm dairy effluent to land in preference to water in all but exceptional circumstances and the protection and enhancement of wetlands in Taranaki;
 - The Council has also prepared and adopted the *Biodiversity Strategy for the Taranaki Regional Council* (2017) that sets out Council priorities and regulatory and non-regulatory actions for the maintenance and enhancement of indigenous biodiversity (including marine). It has also prepared the *Taranaki Regional Council Biosecurity Strategy* (2018), which amongst other things addresses the Council's response to marine pest pathways and incursions;
 - The Council's extensive and award winning voluntary programmes, particularly the riparian management programme, which is having a significant positive impact on freshwater quality and consequently on coastal water quality;
 - The Council's comprehensive state of the environment monitoring programmes which report regularly to the community on such things as bathing water quality, rocky shore ecology and shellfish health. An estuary vulnerability study was conducted last summer. The vulnerability assessment took the form of a screening assessment to determine which estuaries were most vulnerable to sedimentation and eutrophication. This study was the first stage of re-developing the estuary SEM programme;
 - Our coastal water quality and the health of our marine ecosystems are excellent overall with the Council having substantially reduced the number of point source discharges to the coast over the last 25 years and improved the quality of the remaining discharges. The major effect on coastal water quality is from rivers carrying sediment and other contaminants during high flows;

- In terms of sedimentation effects along the Taranaki coastline, these are almost exclusively driven by natural activities, including the ongoing collapse of the volcanic cones of Mt Taranaki and natural erosion and slumping of the soft rock eastern hill country. In the case of the latter, the Council's sustainable land management programme continues to expand with approximately 70% of privately owned land in the hill country now within the programme;
 - The Council is not able to legally mitigate the effect of greenhouse gases when controlling discharges to the atmosphere under the RMA but does take account of potential climate change and sea level rise under the *Regional Coastal Plan* and the *Civil Defence Emergency Management Group Plan*;
 - The Council's support for enhancing knowledge and community awareness and understanding of the marine environment, for example under the 'Curious Minds' initiative and other community-based projects. These include support for projects such as the Seachange Survey (a community survey method to monitor the health and distribution of kaimoana species), Project Litter (a project to gather information on the types and origin of litter found along the Taranaki coast), Dotterel Defenders (aimed at informing and implementing management of the endangered New Zealand dotterel), Project Reef Life (which investigated the unique character of South Taranaki's reefs) and Project Hotspot (which collects and shares data on endangered coastal species and their threats);
 - The Council's ongoing work looking at how it can better incorporate mātauranga Māori into coastal management through such mechanisms as the Wai Māori working group and mana Whakahono a rohe agreements negotiated with iwi.
38. The proposed *Regional Coastal Plan* also has strong policies to promote integrated management of the coastal environment and working collaboratively with others who have responsibilities in the marine environment. This addresses the call in the report for greater alignment and coordination across reporting systems.

Decision-making considerations

39. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

40. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

41. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

42. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

43. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Agenda Memorandum

Date 5 November 2019



**Memorandum to
Chairperson and Members
Taranaki Regional Council**

**Subject: Submission on Resource Management
Bill 2019**

Approved by: A D McLay, Director – Resource Management

B G Chamberlain, Chief Executive

Document: 2365490

Purpose

1. The purpose of this memorandum is to introduce a submission made by officers of the Council to the *Resource Management Bill 2019* (the Bill). A copy of the submission is appended to this item.

Executive summary

2. On 23 September 2019, the Government introduced the Bill.
3. The Bill principally amends the *Resource Management Act 1991* (RMA) and the *Resource Legislation Amendment Act 2017* (RLAA). The overarching objective of the Bill is to reduce complexity, increase certainty and restore public participation opportunities in the RMA.
4. The Bill repeals a number of changes made by the RLAA, and provides a number of improvements and clarifications to existing RMA processes in relation to resource consents, compliance and enforcement, and Environment Court matters. Of particular interest are proposals to establish a new freshwater planning process, to reinstate financial contributions, to enable the Environment Protection Authority (EPA) to take enforcement action under the RMA, to increase maximum infringement fees under the RMA, plus other changes to improve RMA consenting and enforcement processes.
5. Through the submission, the Council notes that it is supportive of many elements in the Bill but has taken the opportunity to provide specific comment on matters of particular interest.
6. The submission supports the Government's intent to streamline freshwater planning processes under the RMA. However, it believes the concept could and should be applied much further to other plan making processes. The submission seeks that the RMA be amended to streamline Schedule 1 planning processes and that they apply across all regional and district plans.

7. The submission highlights some specific limitations/concerns to the proposed freshwater planning process and the introduction of new powers in the Bill for the EPA to undertake enforcement action under the RMA.
8. The submission supports reinstating the use of financial contributions provisions of section 128 of the RMA and is broadly supportive of the amendments to the consenting and compliance processes.
9. The deadline for submissions was 7 November 2019. Unfortunately the deadline for submissions precluded the submission from being formally considered by Council prior to being forwarded to the Ministry for the Environment.

Recommendations

That the Taranaki Regional Council:

- a) receives this memorandum *Submission on the Resource Management Bill*; and
- b) endorses the submission.

Background

10. As Members are aware, the Government is working to improve our resource management system. It has therefore adopted a two-stage process for reviewing the RMA – the primary legislation governing the use of our land, water and air resource.
11. Stage One – the promulgation of the Bill – includes a new freshwater planning process which will support implementation of the upcoming *National Policy Statement for Freshwater Management 2020*. It also reverses changes made to the RMA by the previous government in 2017 and address particular issues with resource consenting and enforcement processes.
12. Stage Two will be a much more comprehensive review of the resource management system. It will examine the broader and deeper changes sought by the Government to support the transition to “*a more productive, sustainable and inclusive economy*”. The Government’s aim is to improve environmental outcomes and enable better and timely urban development within environmental limits.¹
13. On 23 September 2019, as part of its Stage One for reviewing the RMA, the Government introduced the Bill and called for submissions. The deadline for submissions was 7 November 2019.
14. The overarching objective of the Bill is to reduce complexity, increase certainty and restore public participation opportunities. The set of amendments restores participation opportunities for resource consents while significantly constraining participation opportunities for plan changes. The Bill repeals a number of changes made in 2017 by the RLAA, and provides a number of improvements and clarifications to existing RMA processes in relation to resource consents, compliance and enforcement, and Environment Court matters.

¹ Refer <https://www.mfe.govt.nz/rma/improving-our-resource-management-system>.

15. In particular, through the Bill, the Government believes that it will:
- sharpen processes for developing national policy statements and national environmental standards under the RMA to address current limitations on the (joint) development of these tools and broaden what they can provide for;
 - introduce provisions in the EEZ Act for a tool to allow the Government to propose national direction to support decision making on applications for marine consents;
 - enable the development of a national planning template to improve the consistency of RMA plans and policy statements, reduce complexity, and improve the clarity and user-friendliness of plans;
 - better manage risks from natural hazards in New Zealand by including “*the management of significant risks from natural hazards*” as a new matter of national importance in section 6 of the RMA;
 - amend sections 30 and 31 of the RMA to make it a function of regional councils and territorial authorities to ensure sufficient residential and business development capacity to meet long-term demand; and
 - remove the explicit function of regional councils and territorial authorities to manage hazardous substances. This is designed to remove duplication between the RMA and the *Hazardous Substances and New Organisms Act 1996*.
16. Of particular interest to this Council are proposals to establish a new freshwater planning process, to reinstate financial contributions, to enable the Environment Protection Authority (EPA) to take enforcement action under the RMA, to increase maximum infringement fees under the RMA, plus other changes to improve RMA consenting and enforcement processes. Accordingly, officers, on behalf of the Council, prepared the attached submission.
17. For a copy of the Bill, please refer to <http://www.legislation.govt.nz/bill/government/2019/0180/latest/LMS259082.html>.

The submission

18. Appended to this item, is a copy of the Council’s submission on the Bill.
19. In general, the submission notes that the Council welcomes the intent of the Bill to reduce complexity, increase certainty and restore public participation rights in the RMA, and to improve existing resource consenting, compliance and enforcement processes. Through the submission, the Council has taken the opportunity to comment on matters of particular interest.
20. Key messages and points made in the submission are:
- **Plan agility:** The submission strongly supports the Government’s intent to streamline freshwater planning processes under the RMA, particularly through the use of alternative disputes resolution and narrowed scope of appeals. However, it believes the concept could and should be applied much further. The submission seeks that the RMA be amended to streamline Schedule 1 planning processes and that they apply across all regional and district plans.
 - **Limitations to the freshwater planning process:** In relation to the freshwater

planning proposals in Section 80A of the Bill, the submission supports the concept but highlights a number of specific concerns, including the potential for specialised freshwater hearing panels to derogate from local decision making, natural justice (in terms of considering matters out of scope of submissions), and integrated management (in that the process only focuses on freshwater, and not the other environmental domains).

- **Financial contributions:** The submission supports reinstating the use of financial contributions provisions of section 128 of the RMA (which were repealed by the RLAA).
- **EPA enforcement:** The submission supports, in part, the introduction of new powers in the Bill for the EPA to undertake enforcement action under the RMA with the caveat that EPA action should only be available in circumstances where a particular council specifically requests, or agrees to, EPA assistance on an enforcement matter.
- **Other consenting and compliance matters:** The submission is broadly supportive of the amendments to the consenting and compliance processes – particularly extending the time period to lodge retrospective resource consent applications for emergency works, enabling review of conditions of multiple consents concurrently, increasing maximum infringement fees under the RMA, and extending the statutory limitation period to file charges for prosecutions under the RMA.

21. The deadline for submissions was 7 November 2019. Unfortunately the deadline for submissions precluded the submission from being formally considered by Council prior to being forwarded to the Ministry for the Environment.

Decision-making considerations

22. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual plan

23. This memorandum and the associated recommendations are consistent with the Council’s adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

24. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Biosecurity Act 1993*.

Iwi considerations

25. This memorandum and the associated recommendations are consistent with the Council’s policy for the development of Māori capacity to contribute to decision-making

processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

26. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Document #2362062: Submission on Resource Management Amendment Bill.

7 November 2019

Document: 2362062

Committee Secretariat
Environment Committee
Parliament Buildings
Wellington 6143

Dear Sir or Madam

Submission on Resource Management Bill 2019

Introduction

The Taranaki Regional Council (the Council) thanks the Ministry for the Environment for the opportunity to make a submission on the *Resource Management Bill 2019* (the Bill).

The Council makes this submission in recognition of the purpose of local government set out in the *Local Government Act 2002*, and the role, status, powers and principles under that Act relating to local authorities. In particular, the Council's comments are made in recognition of its:

- functions and responsibilities under the *Local Government Act 2002* (LGA) and the *Resource Management Act 1991* (RMA); and
- its regional advocacy responsibilities whereby the Council represents the Taranaki region on matters of regional significance or concern.

The submission broadly supports the general direction of the Bill. The submission sets out general and specific comment on the key themes and topics of particular interest to the Council.

General comments

Overall, the Council welcomes the intent of the Bill to reduce complexity, increase certainty, and restore public participation rights; and to improve and clarify existing resource consenting, compliance and enforcement processes.

The Council notes that the Bill seeks to establish a specialised planning process for freshwater, replacing the existing collaborative planning process. The Council strongly supports the Government's intent to improve RMA plan agility but would like to see the

concept applied further across the system to promote wider efficiencies in RMA planning development processes.

Plan agility

The Council strongly supports the Government's intent to streamline freshwater planning processes under the RMA, particularly through the use of alternative disputes resolution and narrowed scope of appeals. However, Council believes the concept could and should be applied much further.

The Council notes that, for some time, it has highlighted the need for changes to the plan making process under the RMA.

Plan making is a fundamental activity under the RMA but it is also fundamental to the Biosecurity Act, the LGA and a whole range of statutes that form the basis of planning for central and local government. Unfortunately, the RMA plan making process has now become so complex and cumbersome, and processes so drawn out and costly, that it is impossible to deliver timely, relevant and useful plan making. Under the RMA, plans typically take from three to seven years and longer to be approved and may become operative in part, pending appeals to the Environment Court (and beyond). By contrast for example, LGA processes deliver long term plans, annual plans and bylaws, covering a wide range of local authority regulatory and service delivery functions, in a matter of months.

A paradigm shift is needed in thinking about RMA plan making. The RMA is one of the main statutes under which local government delivers outputs and outcomes for its communities. Yet the processes for plan making under the RMA – engaging with the public on proposals, formulating draft plans, consulting with the community, making final decisions, rights of appeal etc – are inflexible, expensive and complex and do not deliver timely decisions for our communities in a fast changing world.

The Council questions why RMA planning/decision-making processes are so extraordinary (from other significant decision making made by councils) that they warrant the long, costly and drawn out processes that have become the norm under the RMA. Responses to regulation at the national level, biodiversity risks, power price rises, and even our own public engagement and consultation processes under the LGA, are able to have decisions made in months (rather than years) because that is the reality of what is needed in the world we live in.

The Government's current proposal for the introduction of a specialised panel that is mandatory for councils to use in regard to freshwater planning processes, goes some way to promoting RMA Plan agility but it needs to go much further and needs to apply across all regional/district plans (rather than being confined to freshwater plans). It is the Council's view that the Government needs to review Schedule 1 processes under the RMA to normalise the plan making process and bring it within the timeframes of almost every other decision-making process of central and local government.

The RMA needs a much more flexible and less time consuming plan change process to unlock efficiencies in the RMA Schedule 1 plan making processes. For example, a revamped plan change process could alter resource consent requirements, avoiding the need for costly

call-in procedures, or simply reduce or alter compliance costs as monitoring showed the need to tweak rules in the plan. Currently, such changes require the full plan preparation process to be applied.

Relief sought

- (a) That the RMA be amended to streamline Schedule 1 planning processes and that they apply across all regional and district plans.

Limitations to the freshwater planning process

In relation to the freshwater planning proposals in the Bill (section 80A(7)), the Council has a number of concerns with the current proposals that it also wishes to specifically comment on.

- **Local decision making:** The Council is opposed to the mandatory 'make-up' of the specialised freshwater hearing panels being largely (three of the five) Government appointees. The Council highlights the importance of retaining regional representation on the panel. It is important that this process retains understanding of local context and does not apply a one-size-fits-all approach for every region. Local elected representatives that are accredited hearing commissioners have the added advantage of knowing or being familiar with the local problems, responses and interventions that underpin resource management decision making. It is not necessary to devolve these responsibilities to nationally appointed hearing commissioners.
- **Natural justice:** The Council is opposed to section 48(2)(b) of the Bill, which provides for the hearing panel on a freshwater plan change to make recommendations on other matters outside the scope of submissions on the freshwater plan change. There is an issue of natural justice in giving the panel unfettered powers to consider matters that are out of scope, as this would affect all stakeholders involved in the process. There is also an issue that panel recommendations can be out of scope of submissions while a council wishing to reject an 'out of scope' recommendation is restricted to alternative options being within submissions scope. This may lead to an outcome where a recommendation of the panel cannot be changed by the council even if it was obviously flawed.
- **Proposed timeframes:** The Council is concerned at the short time frames (20 working days) that councils have to make their decisions on accepting or rejecting hearing panel recommendations, particularly where rejection requires development of an alternative option. This is compounded by the need to ensure any freshwater plan changes integrate with the rest of the plan. The hearing panel has up to 23 months to develop its recommendations, but a council would have less than one month to consider the panel's recommendations.
- **Difficulty in delineating between freshwater and other matters:** The Council is currently reviewing its entire suite of planning documents (air, freshwater and soil). One objective of the review is to create a single integrated natural resources plan. Pulling out freshwater matters and considering them in isolation from other aspects of the environment is inconsistent with recent planning practices (seeking greater integration of the environment) and risks a disconnect between Plan provisions addressing different environmental domains. Requiring plan changes to address integration issues to be assessed by the freshwater panel may not be the most efficient

and effective method to fix a problem (although this would not be an issue if relief (a) above is granted).

- **Whole of plan reviews:** Council seeks clarity around instances where freshwater is but a component in a larger resource management plan. By focusing only on freshwater two hearing processes would necessarily need to be run, which unnecessarily adds an additional level of complexity and uncertainty to plan development/ review processes. It also risks differences and conflicts arising between decisions made on freshwater and decisions made in other parts of the plan and can result in objective and policy directions that are contradictory.

Relief sought

- (b) That the mandatory 'make-up' of freshwater hearing panels be amended to provide the option that democratically elected (but accredited) members may form the panel majority.
- (c) That the ability for freshwater hearing panels to make recommendations that are out of submission scope be deleted.
- (d) That the RMA be amended so that the freshwater hearing panel process can be adopted and applied across all regional and district planning processes.
- (e) That the proposed timeframes for Councils to make a determination on the freshwater hearing panel's recommendations be reviewed to ensure there is sufficient time for matters to be properly considered.

Financial contributions

The Council supports reinstating the use of financial contributions. As argued in the Council's submission on the *Resource Legislation Amendment Bill 2016*, financial contributions provisions are an actively used provision of the law in Taranaki and in many cases is the only way of addressing environmental effects.

It is believed that the planned removal of financial contributions from the RMA was an attempt by the previous Government to avoid confusion about councils charging under this provision and the development contributions regime of the LGA. However, unlike district councils, regional councils cannot charge development contributions. The planned removal of the ability to charge financial contributions would have a significant impact on this Council's consent processes and operations, and on consent applicants. The financial contributions provisions of the Council's plans have helped resolve many submissions to consent applications and have assisted businesses in reaching mutually agreeable solutions with submitters to the benefit of all concerned.

Decision sought

- (f) That the financial contributions provisions of section 108 of the RMA be retained insofar as they relate to the functions of regional councils.

Enforcement powers granted to the Environmental Protection Authority

The Council supports, in part, the introduction of new powers in the Bill for the Environmental Protection Authority (EPA) to undertake enforcement action under the RMA with the caveat that EPA action should only be available in circumstances where a particular council specifically requests, or agrees to, EPA assistance on an enforcement matter.

The Council is opposed to law changes empowering the EPA to initiate enforcement activity without the support of the council concerned. Sections 343(c) and 343G of the Bill enable the EPA to intervene in an incident where a council is already undertaking enforcement action (i.e. by taking over the enforcement action and taking any subsequent action). This is inappropriate. First, it represents a duplication of the council's functions and involves direct Government intervention (bypassing the council) on what could be considered local community matters. Second, in such cases, there is an opportunity for perverse outcomes, including a defendant calling (possibly by subpoena) on a local authority to oppose a prosecution by explain why it did not prosecute.

It is the Council's view that the Bill does not adequately set out the legislative framework for the powers provided to the EPA. In particular, setting out the criteria that would lead to the EPA initiating or withdrawing from an enforcement function (normally undertaken by regional councils). There needs to be a clear hierarchy that sets out the factors for intervention by the EPA, including when matters would remain within the jurisdiction of councils to manage. The Council further notes that the EPA will need to be sufficiently resourced to undertake its enforcement role – and the importance of this has been noted in previous reviews of Government's compliance and enforcement functions and performance. Operational issues such as cost recovery also need to be sorted.

The Bill further assumes the EPA will only 'take over' enforcement action – it does not envisage a situation where the EPA would support enforcement action, with the council retaining lead enforcement responsibility. For major enforcement issues, there may be benefit in the EPA having functions to advance enforcement on matters of national interest and/or providing support to regions (again, only with the agreement of the local council), particularly where these issues occur across regional boundaries.

Decision sought

- (g) That the Bill be amended so that, where a council is already undertaking enforcement action, the EPA may only intervene in the enforcement action if it has the agreement of the relevant local authority.

Consenting and compliance matters

The Council is broadly supportive of the amendments to the consenting and compliance processes.

In particular, the Council supports extending the time period to lodge retrospective resource consent applications for emergency works, enabling review of conditions of multiple consents concurrently, increasing maximum infringement fees under the RMA, and extending the statutory limitation period to file charges for prosecutions under the RMA.

Decision sought

- (h) That the aforementioned amendments relating to consenting and compliance processes be retained.

Conclusions

The Council also endorses the submission from Local Government New Zealand where this is not inconsistent with the views set out above. Once again, the Council thanks the Ministry for the Environment for the opportunity to submit on the Bill.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'BG Chamberlain', written in a cursive style.

BG Chamberlain
Chief Executive

Agenda Memorandum

Date 19 November 2019



**Memorandum to
Chairperson and Members
Policy and Planning Committee**

**Subject: Report from the Parliamentary
Commissioner for the Environment:
'Focusing Aotearoa New Zealand's
environmental reporting system'**

Approved by: GK Bedford, Director – Environment Quality
BG Chamberlain, Chief Executive

Document: 2365481

Purpose

1. The purpose of this memorandum is to introduce a report prepared by the Parliamentary Commissioner for the Environment (PCE) and released on 7 November 2019, entitled '*Focusing Aotearoa New Zealand's environmental reporting system*'.
2. The full report, a 'frequently asked questions' document and a media release, can be found on the PCE's website at <https://www.pce.parliament.nz/publications/focusing-aotearoa-new-zealand-s-environmental-reporting-system>. The 'FAQ' are also attached to this memorandum.

Executive summary

3. The PCE's report reviews how well New Zealand reports on its environment. It offers a critique of the Ministry for the Environment's reporting system set up under the Environmental Reporting Act 2015 and makes a number of recommendations to the Government to improve the system.
4. The report highlights significant shortcomings in the national state of the environment reporting system and in the Government's degree of investment in environmental data and knowledge. One of the major issues identified is that there are large gaps in environmental data and this limits our understanding of what is happening in our environment. This could be costing the country in the form of poorly designed policies or irreversible damage to society, the economy, and the environment.
5. The Council has for many years been calling for a nationally agreed set of core environmental indicators and for this to be appropriately funded. The Council has its own state of the environment monitoring and reporting programmes but these have been designed for regional and not national reporting purposes. They have been reviewed, refined, and audited, and found to be fit for purpose.

6. The PCE's report makes a number of recommendations including the establishment of a standing science advisory panel and the development of a comprehensive, nationally coordinated and nationally funded environmental monitoring system that would draw on the expertise of the standing science advisory panel as well as experts from local and central government and Crown Research Institutes. A national strategy and commitment to progressively fill in known data gaps is recommended. One of the recommendations calls for dedicated resourcing and investment to be made in a national environmental monitoring system including a set of core environmental indicators.
7. Mātauranga Māori should form part of the national monitoring system.
8. The PCE also calls for the Government to be required to formally respond to each report on the state of the environment, setting out what policies and initiatives currently exist and what new interventions are proposed in the light of each report's observations and findings. This Council has long been critical of the Ministry for failing to provide any information on or recognition of actions and interventions that are actively addressing environmental issues, thus fostering a false perception in the wider community of inaction.
9. The PCE report includes 6 comprehensive recommendations (the first of which carries 9 sub-parts). He does not seek a specific response to the report's release, but it may be noted that the Commissioner has indicated he expects and intends to pursue action on his findings, and would welcome support in these endeavours.

Recommendation

That the Taranaki Regional Council:

- a) receives the memorandum '*Report from the Parliamentary Commissioner for the Environment: Focusing Aotearoa New Zealand's environmental reporting system*'.

Background

10. The 106 page report reviews how well New Zealand reports on its environment. It offers a critique of the reporting system set up under the Environmental Reporting Act 2015 and makes a number of recommendations to the Government to improve the system.
11. The PCE has a statutory role to comment on the individual reports produced under the Environmental Reporting Act. However, the completion of the first cycle of environmental domain reports under the Act in April 2019, including the first overview (synthesis) report, provided a timely opportunity for the PCE to review the entire system in detail and to provide recommendations where change is needed.
12. Members will recall having seen all previous domain reports (marine, freshwater, land, air, and atmosphere and climate) which MfE and Stats NZ must jointly produce six monthly, and a whole-of-the-environment (or synthesis) report, which must be produced every three years. The first synthesis report was released in April 2019 and reported to this Committee in June 2019.
13. The second round of domain reporting has begun with the release of '*Our marine environment 2019*', which appears elsewhere in the Agenda for today's meeting.

14. Each time staff have presented national state of the environment reports to the Committee we have commented on a number of weaknesses in the reporting system including that there are large gaps in national level data and that more work is required to establish a consistent and integrated national level data gathering and reporting system. In fact, the problems inherent in the reporting system have been fully acknowledged in the reports but the Council is not aware that anything has been done about them, despite attempts over more than two decades to reach agreement on a core set of national level environmental indicators.
15. Hopefully this report from the PCE will be a spur to action and commitment from the Government to filling the gaps and addressing the weaknesses in the current environmental reporting system.

Discussion

16. The PCE's report highlights significant shortcomings in the national state of the environment reporting system. One of the major issues identified is that there are large gaps in environmental data that is relevant at the national level and this limits our understanding of what is happening in our environment. These data gaps, along with inconsistencies in data, collection, and analysis make it hard to get a clear national picture of the state of the environment and whether it is getting better or worse.
17. To quote the PCE:

'To say we have designed a national reporting system would be to overstate its coherence. Ours has been a passive system that has harvested whatever data is there and done the best it can to navigate what's missing. In my judgement what is there is clearly inadequate' (Media release, page 1) and

'Every year we delay the collection of data identified as a significant gap, we commit New Zealand to flying blind in that area' (Media release, page 1).
18. The PCE finds a lack of time series for some environmental pressure points could be costing the country in the form of poorly designed policies or irreversible damage. He expresses concern at the lack of secure long-term funding for such data sets.
19. To illustrate this point, in September 2019, the Office of the Auditor-General's report *'Managing freshwater quality: Challenges and opportunities'* was released. It was based on an audit of freshwater quality management in four regional councils, including Taranaki. Importantly, the Controller and Auditor-General noted that he was *'...concerned that there is not enough information about freshwater at a national level to prioritise efforts on a national basis'*. The conclusion was that national level decision-makers do not have the information they need to prepare a national approach or long-term strategy on this significant environmental issue.
20. Given this strongly worded statement, the Council has expressed its concern to the Government that it is rushing through a *National Policy Statement on Freshwater Management*, which could undermine both the effective work achieved in Taranaki at a regional level and the goodwill of a community dedicated to achieving enhanced water

quality. This is just one example, among many, of where inadequate data is leading to poorly designed national policy.

21. The PCE goes on to say that the costs are not just environmental – they have real consequences for the economy, society and our wellbeing:

'We can't make economically efficient or socially fair environmental rules if we can't measure authoritatively what's happening to the physical resource base on which our wellbeing ultimately depends' (Media release, page 2).

22. In the case of freshwater, it has been left to the Council to collect information about the unsuitability of national policy proposals on freshwater and their social and economic impacts (and within a very limited timeframe), when the onus should have been on the Government to collect and analyse that information before designing and releasing national policy.
23. We have consistently made the point over many years, that the Council has collected time series data with comprehensive spatial coverage that is appropriate to the Council's statutory functions to monitor and report on the state of the environment of the region. We have also stated that this information may not be suitable for national level state of the environment reporting purposes.
24. The PCE identifies other shortcomings and failings- the six-month cycle of domain reports has reduced the generation of the reports to a treadmill offering little new content; the current system of data collection across New Zealand is too fragmented (across entities and statutes); networks are non-representative; funding is both inadequate and insecure; the catalogue of themes and the framework of their consideration is too narrow. Expertise and judgement are not being applied sufficiently.
25. Despite these weaknesses in national state of the environment reporting, the PCE does not call for a complete overhaul of the system, but rather recommends a number of changes that build on current efforts. His recommendations (on pages 83-88 of the full report) include making the following changes to the Environmental Reporting Act 2015:
 - Add clearer, broader purposes
 - Establish a standing science advisory panel to cover the selection and interpretation of data for the Ministry
 - Include a longer interval of 6 years between full state of the environment (or synthesis) reports
 - Expand the reporting framework to include drivers and outlooks (in addition to pressures, states and impacts)
 - Replace domain reports with theme based commentaries
 - Define a set of core environmental indicators and provide for them to be set out in regulations with associated funding provisions
 - Require a formal response from Ministers to state of the environment reports.
26. Other recommendations include developing a comprehensive, nationally coordinated environmental monitoring system and associated networks that would draw on the input from the standing science advisory panel as well as experts from local and central government and Crown Research Institutes. A national strategy to progressively fill in known data gaps is recommended.

27. Importantly, the PCE's report recommends the allocation of dedicated resourcing to deliver the recommended improvements to New Zealand's environmental reporting system. He points out that this situation stands in stark contrast with our economy where we are much more reliably informed. He expresses concern with current methods of science and research funding which is constantly searching for innovation, invention, and linkages to the demands of business as its priority, and does not properly recognise and resource the importance of routine data collection.
28. Linkages to the Government's priorities for wellbeing in public spending are also made by the PCE.
29. The other source of knowledge, which the PCE urges the Government to act on, is mātauranga Māori. The importance of making this a complementary part of future state of the environment reporting is acknowledged with the PCE stating that this '*now needs to be deepened*'.
30. Council staff have consistently been critical of state of the environment reports prepared by MfE and Stats NZ that do not provide commentary on responses to the pressures and state of the environment i.e. who is doing what about those pressures and states. This leaves questions about how successful our interventions are in addressing the issues raised, unanswered in the minds of the public at large. While we acknowledge that this is a restriction embedded in the current environment reporting legislation, it is disappointing that the PCE's report does not appear to address the issue within the context of the environmental reporting framework.
31. However, it is noted that the PCE does call for a formal obligation to be imposed on the Government of the day, to respond to state of the environment reports with statements outlining the current and proposed policies and interventions that are or will be in place to address issues or trends of concern. If adhered to, this would mean that in future central government is being held to the same accountability that regional councils have always had under Section 35 (2) and (3) of the RMA, which include the duties to monitor the environment and current environmental issues, and to report on the effectiveness and efficiency of its policies, rules, and other methods.
32. However, the most important recommendations in the report are those that relate to the prioritising and gathering of national-level data in a standardised and consistent way. This is an urgent priority and one that the Council has advocated for, for many years.
33. A range of eminent scientists and experts have endorsed the PCE report (<https://www.sciencemediacentre.co.nz/2019/11/07/measuring-changes-to-our-environment-expert-reaction/>). '*As the report states, these efforts [at improvement] have largely been reliant on committed individuals contributing when their day jobs allow. Further progress would be much faster with stronger national direction and resourcing.*' (Dr Roger Young, Coastal-Freshwater Group Manager, Cawthron Institute).
34. Dr Andrea Byrom, Co-director of the Biological heritage National Science Challenge, commented '*The recommendation for an independent science panel – with a focus on interpretation and synthesis – is welcome and long overdue, as is the call for a coherent basis for national investment in environmental science..... Mātauranga Māori is also recognised and acknowledged as a critical and unique aspect of Aotearoa's environmental monitoring and*

reporting system..... Overall I hope this report is a watershed moment for the way we monitor (and manage) the health of our environment in Aotearoa'.

35. Professor Richard McDowall, chief scientist for the Our Land and Water National Science Challenge, commented: 'Current reports have highlighted issues but left people wondering what could be done or is being done to fix them, so I welcome the suggestion that the Minister for the Environment be required to respond to report findings.'

36. Professor Troy Baisden, Professor of Lake and Freshwater Science, University of Waikato, highlighted what would be two surprises for the public. 'First, our system of environmental reporting has been designed to avoid paying to create the information it needs to report on the environment. Instead, it only harvests and tries to make sense of information that's already collected for other reasons'.

Second, the environmental reporting system completely lacks an internationally standardised cycle of policy responses to evidence of environmental impacts. In other words, the [current] purpose of environmental reporting begins and ends with reporting, lacking expectations of using the reports for action'.

37. Dr Murray Petrie, Senior Research Associate, Institute of Governance and Policy Studies, Victoria University (Wellington) wants the environmental reporting framework to include ' Stipulating that the government response to each synthesis report must include goals for its priority environmental outcomes with measurable targets, milestones and progress reports – similar to the mandated accountability arrangements for fiscal and monetary policy'.

38. To date the response from the Ministry for the Environment and Stats NZ has been non-specific. 'We look forward to continuing to improve and evolve New Zealand's environmental reporting system' (Vicky Robertson, Secretary for the Environment), and 'Environmental reporting is all about putting robust, independent, rigorously checked information into the hands of decision-makers and the wider public. We should always be open to new ways of doing that' (Liz McPherson, Government Statistician). (<https://www.mfe.govt.nz/news-events/mfe-and-stats-nz-welcome-opportunity-continue-improving-environmental-reporting>).

Decision-making considerations

39. Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

40. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

41. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks

including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

42. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

43. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Attachment:

Document #2367249: Focusing Aotearoa New Zealand's environmental reporting system: frequently asked questions

EMBARGOED until 2pm Thursday 7 November 2019



Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata

Focusing Aotearoa New Zealand's environmental reporting system

Frequently asked questions

What is this report about?

This report reviews how well Aotearoa New Zealand reports on the state of its environment. It critiques the approach to reporting set up under the Environmental Reporting Act 2015 and outlines steps the Government needs to take to improve the system. These improvements will help ensure that the stewardship of our environment is focused in the right places.

Why did the Commissioner decide to undertake this investigation?

The Commissioner has a statutory role to comment on the reports produced under the Environmental Reporting Act. The completion of the first full cycle of reports under the Act, in April 2019, provided a timely opportunity to review the entire system in detail and recommend improvements.

What were the main findings?

The Commissioner's review highlighted significant shortcomings.

Firstly, huge gaps in environmental data and knowledge bedevil our understanding. This is in stark contrast with our economy where we are much more reliably informed. In addition, the entire system is fragmented – multiple pieces of legislation create a mosaic of requirements, with often unclear responsibilities across organisations. Inconsistencies in how data is collected and analysed make it hard to construct a reliable national picture. These problems are compounded by a science funding system that does not properly recognise the importance of routine data collection.

Secondly, the Environmental Reporting Act lacks a clear purpose. This contributes to a lack of focus.

Finally, there is no plan or commitment to gather new data. The system was designed to make do with whatever information happens to be available. This 'passive harvest' approach is inadequate to inform the stewardship of our environment.

Why is this important? What do these gaps mean for New Zealand?

The shortcomings of New Zealand's broader environmental data and knowledge system mean that we do not have a clear national picture of the state of our environment – and whether it is getting better or worse. In particular, New Zealand lacks consistent, authoritative time-series data and comprehensive spatial coverage. Every year we delay the collection of data in an area identified as a significant gap, we commit New Zealand to flying blind in that area. A lack of time series in respect of some environmental pressure points could be costing us in the form of poorly designed policies or irreversible environmental damage.

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But the costs are not just environmental – they have real consequences for the economy, society and our wellbeing. We cannot make economically efficient or socially fair environmental rules if we cannot measure authoritatively what is happening to the physical resource base on which our wellbeing ultimately depends.

What is an example of a significant gap?

The last national survey of land cover in New Zealand was undertaken in 2012. Land use can change even more quickly than land cover. However, despite being a land-based economy, New Zealand has no robust, comprehensive and nationally representative land use map, let alone one that is regularly updated. Current estimates have been cobbled together from a variety of sources and proxies.

What has the Commissioner recommended?

The review outlines steps the Government needs to take to improve national environmental reporting. These improvements will help ensure that the stewardship of our environment is focused in the right places. The Commissioner does not propose fundamental upheaval. Rather, he recommends building on previous efforts to improve environmental reporting.

Specifically, the Commissioner recommends amending the Environmental Reporting Act as follows:

- adding a clearer purpose
- establishing a standing science advisory panel
- developing core environmental indicators to form the backbone of reporting and drive more active and consistent data gathering
- focusing the system on what matters – retaining state of the environment (synthesis) reports and replacing domain reports with flexible, theme-based commentaries
- expanding the reporting framework
- requiring a formal response from the Government to state of the environment reports.

The Commissioner also recommends adjusting the roles of the Government Statistician and the Secretary for the Environment.

To improve the evidence base underpinning the environmental reporting system, the Commissioner recommends developing a comprehensive, nationally coordinated environmental monitoring system. In addition, he calls for a mandated strategy to prioritise and incrementally fill data gaps.

What is required to make these changes?

Serious investment is needed to improve our evidence-base. But investment needs to be focused on what matters most. Any efforts to prioritise requires expertise – one of the reasons the Commissioner is recommending an independent standing science advisory panel. He recommends that the Ministers of Finance, Environment and Statistics determine the investment required to deliver the recommended improvements over a period of years.

Whakataka te hau

Karakia to open and close meetings

Whakataka te hau ki te uru	Cease the winds from the west
Whakataka te hau ki tonga	Cease the winds from the south
Kia mākinakina ki uta	Let the breeze blow over the land
Kia mātaratara ki tai	Let the breeze blow over the ocean
Kia hī ake ana te atakura	Let the red-tipped dawn come with a sharpened air
He tio, he huka, he hauhu	A touch of frost, a promise of glorious day
Tūturu o whiti whakamaua kia tina.	Let there be certainty
Tina!	Secure it!
Hui ē! Tāiki ē!	Draw together! Affirm!

Nau mai e ngā hua

Karakia for kai

Nau mai e ngā hua	Welcome the gifts of food
o te wao	from the sacred forests
o te ngakina	from the cultivated gardens
o te wai tai	from the sea
o te wai Māori	from the fresh waters
Nā Tāne	The food of Tāne
Nā Rongo	of Rongo
Nā Tangaroa	of Tangaroa
Nā Maru	of Maru
Ko Ranginui e tū iho nei	I acknowledge Ranginui above and
Ko Papatūānuku e takoto ake nei	Papatūānuku below
Tūturu o whiti whakamaua kia	Let there be certainty
tina	Secure it!
Tina! Hui e! Taiki e!	Draw together! Affirm!