

17 March 2022

Ministry for the Environment
PO Box 10362
Wellington 6143

Tēnā koutou,

**Canterbury Regional Council submission on Improving Aotearoa New Zealand's
environmental reporting system / Te whakawhanake i te pūnaha ripoata taiao o Aotearoa**

The Canterbury Regional Council (Environment Canterbury) welcomes the opportunity to provide feedback on the consultation document - *Improving Aotearoa New Zealand's environmental reporting system / Te whakawhanake i te pūnaha ripoata taiao o Aotearoa*.

A fit for purpose environmental reporting system that embodies the principles of Te Tiriti o Waitangi, recognises drivers of environmental change and enables timely, integrated decision-making in response is essential to addressing existential and ecological threats. Environment Canterbury is therefore pleased to see many of the proposals in the consultation document are founded on recommendations in the Parliamentary Commissioner for the Environment's report *Focusing Aotearoa / New Zealand's environmental reporting system*.

However, a key challenge that remains is how best to integrate environmental reporting at a national and regional scale in a way that is cost-effective for taxpayers and ratepayers. We look forward to seeing how this is addressed as the proposals are further developed, and the opportunity to submit on the amendment Bill to the Environmental Reporting Act once introduced to Parliament.

Yours sincerely



Jenny Hughey
Chair, Environment Canterbury

Canterbury Regional Council submission on *Improving Aotearoa New Zealand's environmental reporting system / Te whakawhanake i te pūnaha ripoata taiao o Aotearoa*

Introduction

1. The Canterbury Regional Council ('Environment Canterbury', 'the Council') welcomes the opportunity to provide early feedback on proposals to improve Aotearoa / New Zealand's environmental reporting system.
2. The Council acknowledges the release of the consultation document and preliminary cost / benefit analysis (CBA) is the first step in a more fulsome consultation process that involves promulgation of an Amendment Bill to the Environmental Reporting Act 2015 (ERA) and a select committee hearing.
3. While the Environmental Reporting Act 2015 (ERA) does not in itself direct functions and duties of local authorities, there is a clear intersect between the Purpose and duties carried out under that Act and those in the Local Government Act 2002 (LGA) and Resource Management Act 1991 (RMA). Understanding the relationship and connections between these Acts is important for ensuring robust option evaluation and cost / benefit assessments.
4. Environment Canterbury's preliminary view is some proposals could have significant cost and resource implications for regional councils. The Council has included indicative data on costs associated with implementation of existing environmental reporting functions. While the Council would have preferred the opportunity to quantify cost and resource impacts for these proposals, the combination of a short consultation period, limited details on operational aspects of the proposal, and the need respond to other central government proposals has prevented this from occurring.
5. On this latter point, the Council wishes to highlight the collective challenge Environment Canterbury, mana whenua and communities face in trying to respond to the breadth of central government proposals out for consultation. Material relating to this consultation alone extends to almost 200 pages, covering 45 questions. Furthermore, this consultation is being carried out in parallel to consultations related to the National Environmental Standard for Drinking Water, Future Pathways Green Paper and reform of the resource management system.
6. As a large organisation Environment Canterbury is fortunate to have some capacity to respond but is cognisant others do not. For smaller organisations and partners (i.e. mana whenua) hard choices must be made on which proposals to prioritise and respond to and which to defer. In many ways the current conveyor belt of central government proposals mirrors the "never-ending treadmill" of environmental reporting referred to by the Parliamentary Commissioner for the Environment (PCE) in his report [Focusing Aotearoa New Zealand's environmental reporting system](#). Both demonstrate an almost non-stop cycle of read, review, respond, repeat, with precious little time and capacity for other functions and duties.
7. Finally, the Council wishes to emphasise the need for these proposals to integrate with objectives sought through other Government reform programmes (e.g. resource management reform, three waters, future for local government). Achieving this requires that connections and overlaps between proposals are identified and options formulated that deliver synergistic benefits. This can only occur if adequate time and opportunity is provided to all participants to read, review and assess the impacts and implications of proposals. Consultations that rush this critical first step in the process risk producing a system that is less effective and less integrated, with piecemeal solutions that do little to advance the Government's overall objectives.

Structure of the Council's feedback

8. Environment Canterbury has included overarching comments on general matters regarding this proposal (Part 1) and detailed responses to questions in the consultation document (Part 2).

Part 1 - General comments

Proposal scope and objectives

9. Environment Canterbury supports the overall objective of an improved environmental reporting system. As noted by the PCE, New Zealand's current environmental reporting system is complex, fragmented and multi-layered, with different agencies carrying out similar and different roles and functions. A review of the environmental reporting system provides an opportunity to identify barriers and weaknesses and formulate options that will improve overall effectiveness and efficiency.
10. However, the consultation document focuses almost exclusively on the ERA and the roles functions and duties of the Secretary for the Environment and the Government Statistician. While the Council agrees improvements can be made to the legislative framework, a myopic focus detracts from broader systemic issues underlying the system. Environment Canterbury expands on these matters later in its submission but emphasises the need for a Government strategy that addresses all barriers and limitations in the system.

The role of local government in environmental reporting

11. Environment Canterbury considers the consultation document underplays the intersect between the ERA and RMA and the significant role local government plays in the collection, curation, management and supply of environmental data.
12. For local authorities, requirements to collect, analyse and report on environmental data are founded within the RMA. Section 5 of the RMA imposes a general obligation on all persons exercising functions, powers and duties to promote the sustainable management of natural and physical resources. This general obligation manifests as a specific duty through s35 of Act, with local authorities required to gather information, undertake research and monitor the state of the environment. For regional councils with their specific functions¹ related to management of *natural* resources, there is a general emphasis on collection, analysis and reporting of biophysical data.
13. Consequently a clear intersect exists between the functions, responsibilities and types of data collected and reported on by regional councils (and the purpose for which it is used) and those of central government under the Environmental Reporting Act 2015 (ERA). For example, requirements for the Secretary for the Environment and the Government Statistician to prepare reports exploring the state of different domains² and impacts for the economy, public health and culture, share commonalities with local authority duties to monitor the state of the environment and report on plan effectiveness³.
14. Environment Canterbury considers there are opportunities to explore how central and local government functions and duties for environmental reporting can be better integrated, and how systems and processes can be improved to enable access and sharing of data. This is essential if the environmental reporting system is to be fit for purpose to meet data needs for

¹ S30 of the RMA

² Air, atmosphere and climate, freshwater, land and marine

³ S79 of the RMA

future reform programmes (e.g. Three Waters, Resource Management Reform, Future for Local Government).

Giving effect to Te Tiriti and incorporating te ao Māori and mātauranga Māori

15. Environment Canterbury strongly supports the objective of strengthened recognition of Te Tiriti o Waitangi, incorporation of te ao Māori and mātauranga Māori, and enhanced opportunities for Māori participation. While the consultation document seeks feedback on how these objectives can be achieved through each of the ten proposals, Environment Canterbury has elected to set out common principles and matters to consider in the design of the framework.
16. First and foremost for the Crown to meet its obligations as a Treaty partner, principles of active partnership, participation and protection and recognition of iwi rangatiratanga over mātauranga Māori must be reflected in the design of the system. Delivering a reporting framework that embodies these principles requires direct engagement between the Crown and iwi and hapū. It is iwi and hapū who hold rangatiratanga to say how treaty settlements can best be reflected in the design of the system and how takiwā and rohe specific needs can be accommodated.
17. Particular matters needing to be contemplated in the design of a framework include:
 - how best to accommodate iwi and hapū differences in te ao Māori (i.e. explicit recognition that there is no singular, universal te ao Māori perspective).
 - how to enable collection and storage of different types of mātauranga Māori, including inter-generational knowledge passed down through oral histories, social and familial connections with place, traditional practices and mātauranga exchange.
 - how best to design a system that keeps mātauranga in the hands of iwi and hapū.
 - how to preserve iwi and hapū rangatiratanga over taonga.
 - how to enable sharing of data and information between agencies without compromising iwi sovereignty over data.
 - how to embed partnership approaches through shared responsibilities and joint functions.
18. Environment Canterbury is already turning its mind to these questions as it embarks on a partnership programme with Papatipu Rūnanga to design and develop a mātauranga Māori monitoring programme. The first step in that programme involves scoping the framework before moving forward together to consider matters related to implementation. There may be opportunities to share learnings and explore opportunities for how the design of the regional mātauranga Māori monitoring framework could integrate with frameworks developed at the national scale.

Implementation

19. Environment Canterbury considers substantial further detail is needed on proposed changes to operational components of the environmental reporting system. While the Council appreciates some details may be clarified later, a high-level outline of key components should be signalled now to enable considered feedback on efficacy, adequacy and efficiency of design. Matters requiring attention include:
 - mechanisms for embedding te ao Māori across the environmental reporting system and systems and processes proposed for the collection and monitoring of mātauranga Māori.
 - the distribution of functions, roles and responsibilities across different agencies.

- information on the types and scale (i.e. temporal / spatial) of data to be collected through the system.
- funding and investment to support iwi and hapū build capacity.
- funding and investment to enable local government and Crown Research Institutes (CRIs) to:
 - align with national monitoring programmes (e.g. funding for new infrastructure and equipment and funding to enable changes to the frequency or location of monitoring)
 - improve integration of different datasets.
 - collect, store and share data.
 - provide data to a national reporting system in an automated manner.

Part 2 – Responses to questions in the consultation document.

20. Environment Canterbury's has structured its responses to align with the order of the questions in the consultation document. Questions are shown in bold, followed by the Council's response. Where questions cover related matters these have sometimes been collated and a single response provided.

Opportunities and Objectives

Would you add any issues to this list? Why?

21. Environment Canterbury agrees the consultation document identifies the key issues limiting the effectiveness of the ERA as a framework for environmental reporting.
22. However, as outlined in the Council's introductory comments there are broader, systemic issues that undermine the effectiveness of the reporting system and which need to be addressed. These include:
- the absence of a high-level strategic framework to direct research priorities.
 - competitive, profit-driving funding models that discourage collaboration and data and information sharing between organisations and limit the stability of research programmes.
 - a reliance on philanthropic organisations and educational institutions to backfill data gaps and carry out new research and investigations.
 - the lack of a nationally co-ordinated environmental system for the collection, collation and sharing of data.
 - inadequate funding to support the incorporation of te ao Māori and mātauranga Māori into environmental reporting frameworks.
 - restrictions on access and use of data (including costs associated with access to data).

Which of these issues are the most important to fix? Why?

23. Environment Canterbury considers all issues need to be fixed, including the underlying systemic issues outlined above. Ideally this process would consider connections between issues, identify barriers and root causes of problems, and result in the promulgation of an over-arching strategy in response. The Council remains concerned that addressing issues in

isolation risks piecemeal approaches, with band-aid solutions that do little to address underlying systemic problems.

24. With regards to specific issues with the ERA, the Council considers it important to first address issues with the Act's foundational elements (i.e. its deficient Purpose statement and insufficient recognition of Te Tiriti o Waitangi) before addressing operational components (e.g. functions, roles, deficient datasets, reporting systems). Fixing the building blocks of the Act will provide the clarity required to inform the design of an efficient and effective environmental reporting system.

Are these objectives the most effective for improving environmental reporting? If not, what should the objectives be, and why?

25. Environment Canterbury agrees the four objectives set out in the consultation document are appropriate.
26. However, the Council cautions some objectives cannot be achieved through changes to the ERA alone. For example, *"increasing the influence environmental reporting has on decisions affecting the environment"* requires changes to other legislation to increase the weight given to environmental reporting when making decisions relating to the natural and physical environment. Examples of statutes that may require amendment include the Climate Change Response Act and RMA, and proposed future statutes including the Strategic Planning Act, Natural and Built Environments Act and Climate Adaptation Act.
27. Similarly, achieving the objective of a *"clearly defined co-ordinated reporting system that gives a robust comprehensive, authoritative evidence base on the state of New Zealand's environment"* requires changes to systems and processes that sit outside the ERA. For example, changes to systems, processes and infrastructure used to collect, store and share data between different agencies, including local government.

Proposal 1: Clarifying the purpose of environmental reporting

Proposal description: Clarify the purpose of the ERA to include why we are reporting on the state of the environment, and what the reports are supposed to achieve.

Do you agree with the proposal to expand the purpose of the ERA to include the reasons why we need environmental reporting? Please explain your answer.

28. Environment Canterbury supports the proposal to clarify the Purpose of the ERA in line with the Ministry's preferred option (Option 1).
29. Clarifying the Purpose of the Act through changes that set out what is sought to be achieved and the reasons why but which refrain from stating how that will be achieved, accord with legislative principles for the drafting of Purpose statements.
30. In addition, there are sound efficiency reasons for deferring details relating to the mechanics of the reporting system to other parts of the legislation. Keeping these components separate should enable future changes to provisions relating to design of the framework to be made with relative ease, should they be required.

The initial preferred option for this proposal sets out four points. Are these a suitable basis for a purpose statement? What changes, if any, do you consider are needed to focus, expand or improve them?

31. Environment Canterbury agrees the four points form an appropriate basis for the Purpose statement. However, further attention needs to be given to how these will be worded to ensure the final text aligns with intent. Suggestions for improvement include:

- Bullet Point 1 – consider substituting “authoritative” with “trusted and reliable”. The term “authoritative” could be misconstrued as inferring reports have power or authority to compel action rather than being sources of trusted information.
- Bullet Point 3 – retain the phrase “culturally inclusive” but consider omitting the example (e.g. “aligning with te ao Māori values and perspectives”). While the intent is supported, the inclusion narrows the Act’s Purpose to a single cultural group and creates a conflict with other obligations in the Act (e.g. s8(2) of the Act) that require broader reporting on culture and recreation.
- Bullet Point 3 – consider expanding the phrase “meeting the needs of Māori” to “meeting the needs of Māori, iwi and hapū”. This change would acknowledge that Māori, iwi and hapū have different and diverse needs.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

32. As outlined above, Environment Canterbury considers a key risk with a reframed Purpose statement is misinterpretation or ambiguity. If a clear Purpose statement is not delivered this will have consequences for the drafting of downstream components of the legislation (e.g. provisions relating to the design of the monitoring and reporting framework) and as a result the Act may fail to deliver on the proposal’s objectives. However, the Council considers this risk should be mitigated through opportunities to review and submit on the Amendment Bill, once introduced to Parliament.

Proposal 2: Mandate a Government response to synthesis reports

Proposal description: Require the Government to formally acknowledge synthesis reports within six months and release an action plan within 12 months.

Do you agree with the proposal to require the Minister for the Environment and other relevant Ministers to release a staged response to synthesis reports? Please give your reasons.

33. Environment Canterbury supports the proposal to mandate a response from Government, to require the Minister for the Environment to co-ordinate the Government’s response, and to stage the process for receiving synthesis reports and preparing responses.
34. A 6-month gap between the Government receiving and acknowledging the report should provide time for the implications of the report to be discussed and communicated. A further six months to enable the formulation of an action plan should provide sufficient time to consult relevant Ministries, iwi and hapū and develop policy options.

If you disagree, should anyone be required to make a formal response? Who and why?

35. Environment Canterbury has not identified any additional parties that should be mandated to make a formal response. However processes should be kept flexible enough to allow for a select committee hearing on the Government’s response, if required.

36. The Council is also pleased to see these proposals do not fetter the PCE's mandate or alter his powers to investigate Government systems and processes related to the management, allocation, use and preservation of natural resources. This preserves an important check and balance on the system and provides the PCE with the opportunity to review and investigate Government responses and action plans, should he choose to do so.

Should the ERA specify the layout and style of a government response? If yes, what should the response include?

37. Environment Canterbury does not support the layout and style of the Government's response being specified in the ERA. The benefits of standardisation (e.g. consistency, efficiency etc) are outweighed by potential costs (e.g. constrained reporting and inflexibility to expand on issues requiring attention). If however, the Ministry considers it necessary to standardise these matters, the appropriate place to do so is in secondary legislation (i.e. regulations and standards) rather than the Act.

If the Government is required by the ERA to respond to a synthesis report's findings, is anything more needed? If so, what?

38. Environment Canterbury considers there may be merit in the ERA specifying mandatory matters to be addressed in the Government's response. This would add a layer of rigour to the process and provide confidence that the response covers all relevant matters. Matters suggested for inclusion:
- a description of the over-arching strategy to be implemented.
 - a summary of the relevant "drivers" that have contributed to the issue which pulls together information from State of the Environment (SOE) and commentary reports.
 - a description of policy options considered, an evaluation of the costs, benefits, efficiency and efficacy of each option, and a concise summary that sets out the Government's preferred option and reasons – akin to an evaluation report prepared under s32 of the RMA.
 - an action plan that sets out key initiatives and pathways proposed in response, including:
 - further research or investigations to be initiated.
 - responses (legislative and non-statutory mechanisms).
 - processes, systems and tools to be established or adapted.
 - investments and funding.
 - timeframes for actions and next steps.
 - processes for reviewing the effectiveness of action plans.
39. In addition, it would be useful for the Government to have discretion to include any other matters it considers relevant in its response. Retaining this flexibility is important to avoid inappropriate and undue constraints on reporting and to enable content to be adapted to the circumstances that apply.

In what way could a formal response adequately address the needs of te ao Māori?

40. Environment Canterbury considers it is challenging to provide a response to this question given the way in which it is framed. Te ao Māori is a concept that acknowledges the interconnectedness and inter-relationship of all living and non-living things, rather than a person or subject with defined "needs". Government responses should be prepared by applying a te

ao Māori lens. In practice this requires recognition of complex interactions within and across systems and implementation of holistic, integrated responses.

41. If however, the question is intended to be framed as *“how could a formal response adequately meet the needs of Māori?”* then the Council considers the preparation of a “formal response” provides an opportunity for the Government to meet its obligations as a Treaty partner. For example, exploring opportunities for Government, iwi and hapū to jointly develop the Government response and shared roles, responsibilities and functions for environmental reporting.

Do you consider a response is necessary for all environmental reports or commentaries specified in the ERA (that is, not just synthesis reports)? If yes, why?

42. Environment Canterbury considers it would be appropriate for the Government to acknowledge receipt of commentary reports and to set out at a high level next steps and actions. This could involve simply noting issues and identifying steps to review and respond to issues at a later stage in the process (e.g. through the Government’s response to a synthesis report). Given the importance of avoiding a ‘treadmill or reporting’, the Council agrees that any response should be proportionate and efficient.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

43. Yes. The preliminary cost / benefit analysis estimates costs to CRIs and regional councils at \$0. The Council considers this entirely unrealistic.
44. Costs incurred by regional councils are likely to include time and labour spent collating and supplying information to Government to inform the development of synthesis reports. Examples of the types of requests anticipated, include requests for information on council policies and programmes implemented to address issues at a regional or local scale and environmental monitoring data showing current state and trends.
45. In addition depending on the nature of the Government’s response, regional councils could incur significant costs if action plans recommend changes to legislation or policies. Potential costs include those that arise from the need to adjust environmental monitoring programmes (i.e. purchases of new equipment to collect, store and transfer data, or changes to the frequency, timing or location of monitoring) and costs associated with changing planning documents to meet new obligations. By way of example, Environment Canterbury anticipates planning costs associated with development and notification of a new regional policy statement and plan that gives effect to the revised policy framework in the National Policy Statement for Freshwater Management 2020 will reach ~\$20 million by 2024. These costs apply in addition to costs related to adjusting Council environmental monitoring programmes to account for the NPSFM 2020’s expanded range of freshwater attributes and changed metrics (annual costs of ~\$900,000 – which apply in addition to base costs for the freshwater monitoring programme of ~\$12 million annually).

Proposal 3: Add drivers and outlooks to the reporting framework

Proposal description: Extend the pressure-state-impact framework to include a requirement for information on drivers (factors that cause the pressures on the environment) and outlooks (how the state of the environment may change in the future, and the likely impact of such changes).

Do you agree with the proposal to add drivers and/or outlooks to the reporting framework? Please give reasons. What benefits or drawbacks do you see in including drivers or outlooks?

46. Yes. Environment Canterbury supports the inclusion of drivers and outlooks in the environmental reporting framework (Option 1).
47. One of the limitations of the ERA's current environmental reporting framework (PSI - Pressure, State, Impact) is it fails to account for "drivers" of environmental change (e.g. human activities, influences and natural events) and causal links to environmental "pressures" (e.g. pollutants). The inclusion of "drivers" rectifies this deficiency and provides a clear line of sight between the drivers of change, pressures, impact and state.
48. The inclusion of "outlooks" is also supported on the basis that these will help foreshadow future outcomes and trends that would arise in the absence of intervention. Ideally these would be accompanied by set of assumptions to ensure transparency and enable quantification of the impacts of different policy options. The inclusion of outlooks is an appropriate precursor to the final exercise of preparing a Government response – an exercise that is appropriate to carry out independently given political considerations and the need for aligned and integrated policy responses.
49. Overall, the proposed changes will result in a framework that more closely aligns to the internationally recognised DPSIR⁴ system, albeit with "reporting" and "response" elements segregated. As a consequence, the framework is likely to contribute to achieving the proposal's overall objectives of a more robust, comprehensive reporting system that enables informed decision-making.

If the expanded DPSIR (plus outlooks) framework is not suitable for reporting, what other framework should be adopted, and why?

50. N/A. Environment Canterbury agrees with the proposal to use a modified version of the DPSIR framework.
51. DPSIR is a tried and tested framework that enables identification and reporting on human-environment connections and the development of policy responses that have a clear intervention logic. While variations of the DPSIR framework have been used (e.g. PSI), these fall short when measured up against the benefits offered by the fuller framework.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

52. Yes. Environment Canterbury considers the CBA fails to account for the full range of costs that may arise as a result of the inclusion of drivers and outlooks. Factors likely to influence the scale and distribution of costs include:
 - the types of new or additional data needed to understand drivers and make informed predictions on outlooks.
 - the robustness and completeness of baseline datasets.
 - infrastructure, data and systems needed to enable data collection and sharing of information.

⁴ Drivers, Pressure, State, Impact, Response

- the distribution of responsibilities for data collection (for example, will central government agencies collect data required to prepare drivers and outlooks or will responsibilities be devolved to local government and other agencies?)

Proposal 4: Adjust roles and responsibilities

Proposal description: Adjust the roles and responsibilities for the Secretary for the Environment and the Government Statistician to reduce overlaps and ensure that each organisation uses their expertise, with:

- the Secretary for the Environment as the steward for New Zealand's environment
- the Government Statistician as the leader of the official statistics system.

Do you agree with the proposal to adjust the roles and responsibilities of the Secretary for the Environment and the Government Statistician? Why?

53. Yes. Environment Canterbury supports the proposal to amend the ERA and align the roles and responsibilities of the Secretary for the Environment, the Government Statistician and Stats NZ with recommendations in the PCE's report (Option 1). Clarifying and delineating roles and responsibilities should improve independence, accountability and efficiency of the system.

Should the ERA state that the Secretary for the Environment and the Government Statistician may/must invite Māori to take part in preparing environmental reports? Why? Do you consider there are broader roles and responsibilities for Māori under the ERA?

54. Environment Canterbury agrees the ERA should be amended to provide opportunities for Māori, iwi and hapū to take part in the preparation of environmental reports.
55. However, the Council emphasises any amendments must be drafted in a way that enables, rather than mandates, participation. Māori, iwi and hapū are already under significant pressure to engage and participate in central and local government programmes. Well-meaning but misguided drafting that mandates Māori involvement, risks exacerbating existing capability and capacity constraints.
56. Furthermore, if the Crown is to meet its obligations as a Treaty partner it must go further than simply enabling opportunities for participation through legislative and policy changes. Adequate funding is needed to enable mana whenua to build capacity and capability, and opportunities must be explored for sharing of functions and roles.

Do other agencies have roles and responsibilities related to environmental reporting that in future should be specified in the ERA?

57. No. Environment Canterbury considers the ERA should retain its narrow focus as legislation governing environmental reporting at the national scale, with roles and responsibilities confined to those of the Secretary for the Environment and Government Statistician.
58. While there may be other central government agencies (e.g. DOC) and CRIs (e.g. Manaaki Whenua) who carry out research or contribute knowledge, data and information central to environmental reporting, these should not be specified in the Act. If these matters need to be clarified, the appropriate place to do so is through changes to regulations and standards prepared under relevant principal Acts.
59. Furthermore, if changes to environmental reporting frameworks implemented at the regional or local scale are required, these are best achieved through amendments to other legislation (e.g. through changes to the RMA or through new provisions in the SPA and NBA). Maintaining a

separation between the roles and accountabilities of each arm of government should help to improve clarity, reduce duplication and improve efficiency.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

60. Yes. Environment Canterbury considers there are opportunities to clarify and define the responsibilities of the Secretary for the Environment and the Government Statistician.
61. Option 1 proposes both agents retain responsibility for “checking the consistency and accuracy of statistics and indicators used in reporting in conjunction with the Ministry”. In the Council’s opinion, dual responsibilities contribute to reduced accountability and reduced efficiency of the system. Opportunities to split functions and align responsibilities with each Ministry’s specialist area should be explored. For example, making the Secretary for the Environment responsible for checking the consistency and accuracy of information contained in the reports and commentaries, and the Government statistician responsible for checking the consistency and accuracy of indicators and statistics.

Proposal 5: Mandate a standing advisory panel

Proposal description: Require the establishment of a standing advisory panel under the Environmental Reporting Act 2015.

Do you foresee any problems with the proposal to make it a statutory requirement to establish a standing advisory panel under the ERA? Please describe.

62. No, provided the system is able to attract suitable candidates for appointment to the Standing Advisory Panel (SAP). See our response further down on this matter (paras 66 – 67).

What range of perspectives do you think the standing advisory panel needs to include?

63. Given the breadth of subject matter covered by environmental reporting, members of the SAP will need expertise in environmental, social, cultural and economic matters and perspectives from iwi and hapū to enable coverage of te ao Māori and mātauranga Māori.
64. In addition, given the technical basis of the environmental reporting framework, panels should have expertise in, or access to experts familiar with, the application of the DPSIR framework.

What responsibilities should the standing advisory panel have?

65. Responsibilities should include:
- monitoring international science and data and identifying new / emerging global issues and trends of relevance to New Zealand.
 - making recommendations on areas to focus on for environmental reporting.
 - making recommendations on new / additional indicators and statistics to include in environmental reporting.
 - identifying gaps in environmental reporting and / or new information needs.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

66. Yes. Benefits of legislating the establishment of an SAP include the sense of permanence it creates for panel members and an easier pathway to securing funding through Government Budget rounds. These benefits should help attract a higher number of quality candidates to roles.
67. The greatest risk with legislating for an SAP is it places a binding obligation on the Government which may be difficult to meet if suitable candidates cannot be found. Factors likely to influence a candidate's decision on whether to apply for a role include remuneration, time and amount of participation required, conflicts of interest, and terms of engagement.

Proposal 6: Replace environmental domain reports with cross-domain themes

Proposal description: Replace environmental domains with cross-domain themes that form the basis of synthesis reports and in-between commentaries.

What are some pros and cons of a theme-based approach for both synthesis reports and in-between commentaries? Should another approach be used? If yes, why?

68. Environment Canterbury supports the proposal for a theme-based approach for synthesis reports and commentaries. A benefit of theme-based reporting is it treats the environment as one interconnected system thereby embodying the practical application of te ao Māori to management of the natural and physical world. This contrasts starkly with the current domain-based reporting where artificial boundaries between air, land, freshwater, and marine environments are used to define the edges and scope of each report.
69. In addition, a theme-based reporting system is wholly compatible with the DPSIR framework. As outlined earlier the DPSIR framework assumes a chain of causal links between drivers (e.g. urban intensification), pressures (e.g. pollutants), states (physical, biological, chemical) and impacts (e.g. health, ecosystem). As a consequence, this framework should help with the formulation of holistic policy responses that treat the environment as an integrated whole rather than the sum of its parts. The shift from domain to theme-based reporting should assist central and local government to plan and respond to current and future challenges (e.g. adaptation and improved resilience to the impacts of climate change) and support the development of next-generation planning frameworks that implement a ki uta ki tai approach to management of natural and physical systems.

Do you think the themes in Environment Aotearoa 2019 (Table 2), or those proposed by the PCE, or some other themes are the right ones to use? Are they broad enough to give certainty for future environmental reporting?

70. Environment Canterbury notes neither option (Environment Aotearoa / PCE option) is a purist theme-based reporting system. Both are hybridisations of two or more concepts – with the PCE proposal combining environmental indicators (e.g. biodiversity) and domains (e.g. land), and the Environment Aotearoa option combining environmental indicators (e.g. biodiversity) and resource use (e.g. land use).
71. As a consequence, for either option cross-cutting themes and overlaps are likely and there is a risk issues could fall through the gaps if clear guidance is not provided on the scope and boundary of each theme. By way of example, it is unclear whether the “land use” theme would address only impacts on terrestrial environments that relate to the use of land, or whether it would include impacts on connected environments arising from land use (e.g. loss of natural

character in braided rivers systems from encroachment of adjacent land uses, or loss of marine biodiversity as a result of heavy metal pollution from urban land).

72. An alternative approach is to adopt a purist theme-based system with themes that are agnostic of domain and resource use. For example, themes correlating to key issues or values e.g. “biodiversity and ecosystems”, “climate change and variability”, “landscape and natural character” and “human health and wellbeing”. This approach would score highly against the four criteria in Appendix 3 of the consultation document (effective, certain, independent, cost efficient) and rate higher for ‘certainty’ than Option 1 or 2.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

73. No additional costs, benefits, risks or opportunities identified.

Proposal 7: Reduce the frequency of synthesis reports to six-yearly

Proposal description: Move from a three-yearly to six-yearly cycle for synthesis reports.

Is six-yearly reporting an appropriate interval for synthesis reports? Which timeframe do you prefer, and why?

74. Environment Canterbury supports a six-yearly reporting interval for synthesis reports (Option 1).
75. For environmental reporting to offer value and promote informed decision-making, intervals between reporting cycles must take into account environmental and political considerations. Where freshwater reporting is concerned, a minimum of five years’ monitoring data is needed to enable data to be interpreted in a meaningful way and for trends to be analysed and identified.
76. Arguments put forward for a six-yearly reporting cycles are stronger than those put forward for any of the alternatives. While a five-yearly reporting cycle (Option 2) would align the frequency of environmental reporting with that used in most other OECD countries, this option is considered inappropriate given New Zealand’s short electoral cycles (3 years) and the need to fit reporting in between long-term insight briefings. A four-yearly reporting cycle would also be problematic if New Zealand shifts to longer political terms in the future.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

77. Environment Canterbury has not identified any additional costs, benefits, risks or opportunities.

Proposal 8: Replace domain reports with one commentary each year

Proposal description: Between six-yearly synthesis reports, replace the six-monthly domain reports with one theme-based commentary each calendar year.

What are some pros and cons of changing the frequency of in-between commentaries to a priority basis, with no mandatory coverage of all themes in a reporting cycle. In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

78. Environment Canterbury supports the proposal to require one theme-based commentary each calendar year and for the Standing Advisory Panel to recommend the sequencing and

timeframes for preparation of each report (Option 1). Benefits include that it enables resource and effort to be targeted at the highest priority theme, thereby enabling timely intervention.

79. While there are some risks⁵ with not mandating coverage of all themes within commentary reports, the Council acknowledges the need for a reporting system that strikes an appropriate balance between efficiency and effectiveness. Overall, the proposed changes should help shift the system from one where “reporting occurs for reporting’s sake” to one where reporting has a clear purpose – to support timely and informed decision-making.
80. There are also risks with making Standing Advisory Panels responsible for advising on the timing and focus of commentary reports. Risks include “panel capture” with SAPs recommending areas of focus that align with areas of interest or importance to the panel rather than highest priority issues. However, these risks can be mitigated through checks and balances in the system that add rigour and transparency to decision-making processes. Suggested mechanisms for achieving this include:
- mandating a requirement for SAPs to state reasons, and criteria considered, when making recommendations on areas of focus for commentary reports, and reasons for omitting themes (e.g. no change in environmental indicators, less urgency relative to other themes).
 - preserving the role of the Secretary for the Environment as decision-maker for areas of focus for reports and requiring the Secretary to state reasons for not adopting the SAP’s recommendations (so as to avoid perceptions of political interference or lobbying.)

Proposal 9: Establish a set of core environmental indicators

Proposal description: Define a set of environmental indicators in the regulations, to help achieve the purpose of the Environmental Reporting Act 2015.

Do you foresee any problems with the proposal to establish a set of core environmental indicators? Please describe.

81. With the exception of environmental indicators for mātauranga Māori, Environment Canterbury does not foresee any problems with establishing a core set of indicators.
82. Regional councils have demonstrated agreement on national indicators can be reached as evidenced through the Environmental Performance Indicator Programme. However, the key challenge is agreeing standardised methods so that data can be shared, combined and compared regardless of the agency collecting it and individual differences in collection and statistical methods.
83. Responding to this challenge requires standards and regulations that normalise data for parameters collected at different scales (i.e. spatial or temporal), or which have been analysed using different statistical methods. Furthermore, for environmental reporting to be meaningful agreements must be reached on how data is sorted, organised and classified (i.e. meta data standards) so as to enable efficient access, retrieval and sharing across systems and databases.
84. Additionally, the Council also supports the proposal to state core indicator themes in regulations (as opposed to the ERA) and providing flexibility to the Ministry for the Environment and Stats NZ to select appropriate indicators for use in reporting. This approach should provide the greatest benefits (e.g. standardisation, faster, easier processes for making changes

⁵ E.g. incomplete datasets, incomplete understanding of drivers, threats and risks

to indicators) and avoid inefficiencies and cost associated with unnecessary or irrelevant reporting.

What are some pros and cons of publishing updates to environmental indicators outside the reporting cycle?

85. Environment Canterbury considers a benefit of publishing environmental indicators outside the reporting cycle is it enables indicators used in environmental reporting undertaken by other agencies (e.g. SOE reporting by regional councils) to be aligned in a timely fashion. This should result in a more agile reporting system and easier integration and sharing of datasets between different agencies (e.g. OECD, CRIs, central and local government).

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

86. The preliminary cost / benefit analysis estimates the combined labour input from regional councils as four full-time-equivalents (FTE) with combined on-going costs of \$830,000 per year.
87. Further details are needed on assumptions that underpin the cost-estimate to enable the Council to assess the validity and distribution of impacts (e.g. individual vs sector costs). At face value, downstream costs to regional councils appear significantly underestimated. For example, while costs associated with the formulation of new environmental indicators have been accounted for, costs arising from the need to change regional council SOE monitoring programmes appear absent from calculations.
88. Depending on the types of environmental indicators specified, and how regulations for standardisation of data are expressed, costs may be incurred in the form of purchases of new equipment to sample and collect data, new systems to enable visualisation, storage, sharing and transfer of data, and changes to the frequency, timing or location of monitoring. It is these consequential, downstream costs that will comprise the bulk of the cost burden for regional councils, and which must be accounted for in the design of the new framework.

Proposal 10: Strengthen the mechanisms for collecting data

Include new provisions in the Environmental Reporting Act 2015 to set out powers for acquiring existing data for national environmental reporting.

Do you foresee any problems with the proposal to include provisions in the ERA to require the supply of data for national environmental reporting? Please describe.

89. Environment Canterbury considers aspects of the proposal need to be clarified before the Council can respond to this question. While Option 1 is described as a proposal where provisions are inserted into the ERA to enable the collection of data on a voluntary basis, subsequent statements infer this will become mandatory over time. For example, statements in the consultation document include:
- “the first step would be to request the data be supplied on a voluntary basis” (p56)
 - “requesting the supply of data on a voluntary basis would allow for agreements for the supply of data to be developed, which could include requirements to ensure data is fit for reporting purposes” (p57)
 - “option 1 is the initial preferred option. Creating provisions under ERA would give the Secretary or the Government statistician authority to request, and in limited circumstances, require information for reporting.” (p58)

90. Overall, Environment Canterbury prefers Option 1 (relative to other options) provided collection and supply of data remains voluntary. If these become mandatory, additional funds and resource will be needed to enable obligations to be met. Provision of funding will be particularly critical where new regulations specify data collection using different parameters or formats, or where data needs to be reorganised or reclassified to enable sharing and transfer between agencies.

In your view, have we overlooked any costs, benefits, risks or opportunities? Please describe these and any mitigations.

91. Having reviewed the CBA, the Council considers it is difficult to assess the validity of the cost-estimate without a breakdown showing costs for each agency. The CBA includes a combined cost estimate of \$1.8 million upfront and \$4.2 million on-going, for “other organisations”. It is not clear from the document who these “other organisations” might be and whether it includes local authorities.
92. Consequently, the Council’s preliminary view is the cost estimates may be too conservative, particularly if data collection and supply become mandatory over time. As outlined above, significant costs could be incurred by regional councils in the purchase of infrastructure and adjustments to environmental monitoring programmes. Furthermore, the CBA states cost estimates for this proposal are presented on the basis that “agencies external to central government will be reimbursed on a full cost-recovery basis”⁶. However, the Council can find no such assurances in the consultation document. This places the Council in the difficult position of being unable assess the accuracy of the cost impacts of this proposal.

Summary of estimated additional funding needs, benefits and risks

Have we correctly noted all the high-level costs and benefits of these proposals? Are there any others?

93. No. Environment Canterbury considers there are other benefits and costs that have not been acknowledged in the consultation document. Please refer to our responses above.

What costs and benefits, if any, would any or all these proposed changes have for you or your organisation?

94. Please refer to our responses above.

We are planning a full benefit-cost analysis after assessing all submissions. What, if any, information should we include in that analysis?

95. Environment Canterbury supports the proposal to prepare a full cost-benefit analysis of the proposals. Matters that should be addressed or included in the analysis include:
- further details on assumptions used to underpin cost / benefit analyses.
 - a detailed breakdown of costs / benefits for different sectors and parties (e.g. central government, regional councils).
 - inclusions and exclusions factored into cost estimates.
 - expectations regarding the extent / timeframes for alignment between national and regional environmental reporting frameworks.

⁶ p9 [Preliminary Cost Benefit Analysis - Allen & Clarke](#)

Do you have any further comments?

96. The combined expenditure by the regional sector (16 councils) c.2014 for state of the environment monitoring and reporting was calculated at \$40 million per annum. In 2014, the regional sector identified this per annum cost as part of its business planning for developing LAWA. It is important to note that state of the environment monitoring is not cheap and carries costs beyond the development of a set of indicators (and regulations). Full cost accounting will be needed as a next step to estimate the implementation costs for all agencies involved, including for ongoing provision of indicator data once the national system is operational.