

Submission Environmental Reporting Bill 2014

A: Introduction

1. Our Submission

Thank you for your invitation to comment on this submission. In order to make this submission easy to read, we have created a high-level set of recommendations, a list of unanswered questions and a more detailed document with 'tracked changes' of the Bill (so our suggestions are easily apparent). If you have any questions or queries, please do not hesitate to contact the Institute.

The McGuinness Institute supports the intent of this Bill and wishes to thank the work of two earlier submitters, the Parliamentary Commissioner for the Environment and the Environmental Defense Society (EDS).

We wish to be heard in relation to this submission.

2. About the McGuinness Institute

The McGuinness Institute, formerly the Sustainable Future Institute, was founded in 2004. The Institute is a non-partisan, not for profit research organisation, working towards a sustainable future. It aims to contribute to public dialogue on strategic issues through evidence-based research and policy analysis.

3. Experience

Wendy McGuinness, the Chief Executive of the Institute, was part of the team that worked on the development of the Public Finance Act 1989. Her particular contribution was the report on the *Implementation of Accrual Accounting in Government Departments* (1988). She then ran a consultancy firm, McGuinness & Associates, providing services to the public sector during the transition from cash to accrual accounting. She was Chair of the Sustainable Development Reporting Committee at the NZICA from 2003-2004. She is a former Councillor of the New Zealand Institute of Chartered Accountants and has been awarded a fellowship in 2009, entitling her to use the term Fellow Chartered Accountant.

The McGuinness Institute sees the effective use, management and protection of New Zealand's resources as critically important if current New Zealanders wish to deliver future generations a sustainable future. *Project 2058* is the Institute's flagship project. It includes a research programme that aims to explore New Zealand's long-term future with a view to putting forward a National Sustainable Development Strategy (NSDS) for New Zealand. Directly related to this submission is our One Integrated Reporting Project. In preparing this submission, we draw on a number of recent reports and submissions, particularly:

Advisory Group, Measuring Sustainable Development Project, Statistics New Zealand (2009)

The Institute was part of an advisory group for Statistics New Zealand's Measuring Sustainable Development Project.

Project One Integrated Report (2011)

The Institute is a strong advocate of integrated reporting; in 2011, as part of Project One Integrated Report, the McGuinness Institute produced *Integrated Annual Report Survey of New Zealand's Top 200 Companies, exploring responses from chief financial officers on emerging reporting issues* (2011).

One Ocean Project (2012)

The Institute initially focused on the EEZ & Continental Shelf and explored what is meant by *national significance* under the RMA. To learn more about the application of the RMA, the Institute participated in the New Zealand King Salmon Board of Inquiry hearing. The company applied to add a further nine salmon farms to the Marlborough Sounds. This process made it apparent the importance of relevant and timely information. Going forward we hope to explore how best to contribute to a discussion on the ways New Zealand might best manage our oceans in the long term.

International Integrated Reporting Council's (IIRC) Consultation Draft (2013)

The Institute also made a submission on the International Integrated Reporting Council's (IIRC) Consultation Draft of the International Framework in July 2013.

4. 2014 Work Programme

In 2013 the Institute produced a journal titled *TalentNZ*. In March 2014 Wendy McGuinness visited 10 New Zealand cities as part of the *TalentNZ* Tour. During this project, we analysed the demographics of New Zealand cities. We will be expanding these demographic profiles in 2014. Throughout this project it became apparent that data is crucial to understanding how cities operate and, although some data exists, it has not been collated or published within a cohesive document. We aim to publish a working paper on this topic later this year alongside the *TalentNZ: Menu of Initiatives Directory*.

In addition the Institute is undertaking preliminary work on how New Zealand might benchmark types of protein. This requires a great deal of environmental data and has already provided some insights into the current inadequacies of data in New Zealand. We aim to publish this working paper later this year, but the gaps and lack of assurance has already become apparent.

B: Five Assumptions

The following five assumptions lead to the high-level recommendations listed below:

Assumption 1: The underlying purpose is outlined in the *Department Disclosure Statement*, which states— ‘The Governments objective is to have a legislative basis for independent environmental reporting in order to give the public certainty about the scope, timing and quality of the information they will receive about the environment.’¹ We make the following high-level recommendations with these three goals in mind:

- i. public certainty about scope
- ii. public certainty about timing
- iii. public certainty about quality

Assumption 2: There is a critical distinction to be made between data, information and strategic knowledge. Data on its own does not provide information, however data over time does deliver information. Information on its own does not provide strategic knowledge, however information when given a strategic context does provide strategic knowledge. See Figure 1. We believe this Bill is using a domain report to collect data to provide information and a synthesis report to collect information to provide strategic knowledge. This assumption drives our recommendations. Further we consider static data is of much poorer quality than flow data. Static

¹ *Department Disclosure Statement* (2013). Retrieved April 16, 2014 from <http://disclosure.legislation.govt.nz/bill/government/2014/189/>. See page 3.

data might tell us the net difference (e.g net livestock), whereas flow data tells us the nature of changes that make up the net figure. The flow data tells us the full story.

Figure 1: The relationship between data, information and strategic knowledge



Assumption 3: A legislative framework is necessary. Notably MfE and/or Statistics NZ could have provided this reporting without the legislation and most importantly could start this process before the Bill becomes law. Arguably it was already part of their role but the legislation is necessary to ensure the reports are produced to the scope, timing and quality needed.²

Assumption 4: Having clarity over who will use this information and for what purpose is critically important. Examples of potential users of this information include Parliament, public servants, insurance assessors, private and social enterprise and civil society. Arguably the higher level purpose is to ensure better decisions are made over the long term for current and future New Zealanders. This tells us a great deal about the scope, timing and quality of such reports.

Assumption 5: Having clarity over who is responsible for preparing reports is fundamental to good governance. We do not consider joint responsibility for preparing a report to be good practice.

C: High Level Recommendations

1. Purpose could be better clarified
 - a. In clause 3, replace fair with transparent, meaningful, material and complete, so that it reads '(c) ensure that producers of environmental reports act independently and produce transparent, meaningful, material, complete and accurate reports: We believe 'fair' could have a range of meanings depending on who is using the term, whereas transparent is about where the data/information is from (sources are referenced), *meaningful* is about the extent the data is useful and *material* is about focusing on the significant issues. For example, this aligns with the way the PCE (2010) report talks about 'Useful and Trusted Environmental Reporting'³. Useful can be broken down into *meaningful* and *material* whereas trusted is about *transparent* and *accurate*.
 - b. In clause 3, remove (d) and (e) as they are procedural.

² Although not explicit, this is inferred in the PCE report: Parliamentary Commissioner for the Environment (PCE) (2010). *How Clean is New Zealand? Measuring and reporting on the health of our environment*. Retrieved April 16, 2014 from: <http://www.pce.parliament.nz/assets/Uploads/How-clean-is-New-Zealand.pdf>

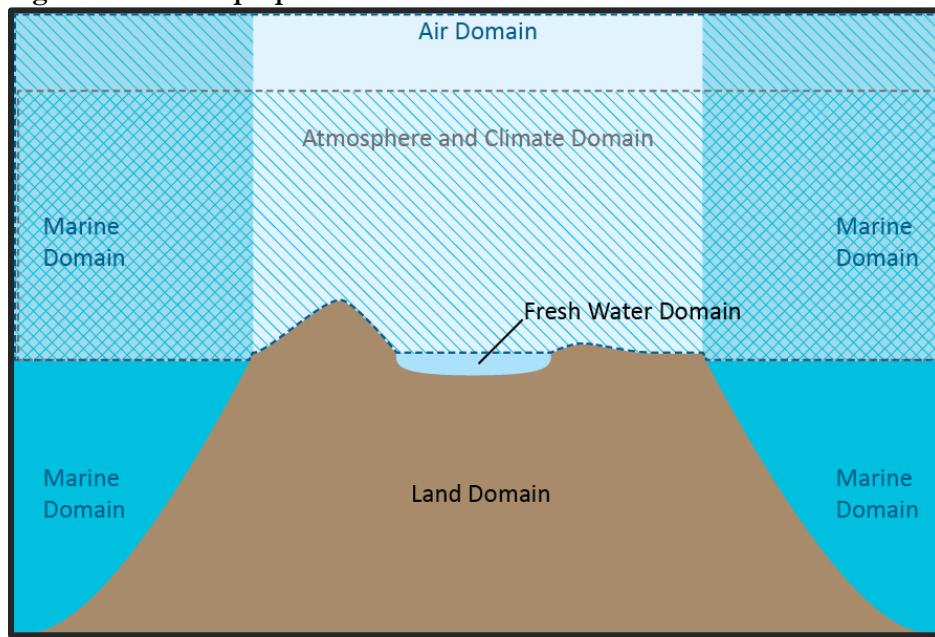
³ Ibid, see page 19.

- c. In clause 3, add new sub-clause so that it reads (d) *ensure where uncertainty over the accuracy of content exists, that the level of uncertainty is also reported upon*. Based on our experience with climate change data and information, we believe that uncertainty over data and information must be acknowledged up front. It is also suggested later in regard to guiding principles, see also recommendation 9 below.

2. Four domains rather than five

Although we strongly support the intent of the Bill and the structure of the Bill, we found the domains themselves confusing and unnecessarily complex. There may be a logical explanation but we were unable to find any scientific logic to explain the approach. We have prepared Figure 2, to show pictorially what we understand are the five domains the Bill is advocating to cover.

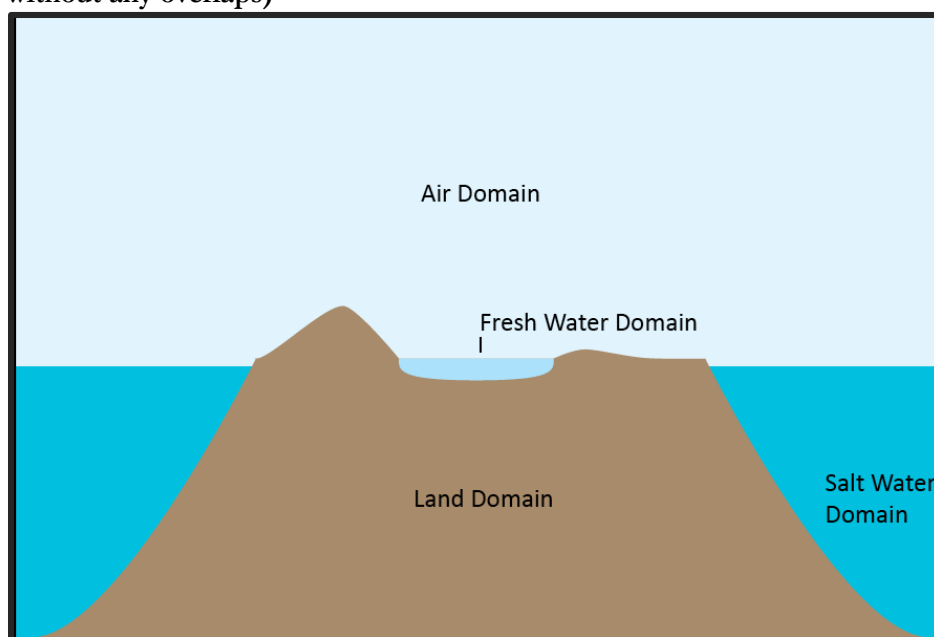
Figure 2: The five proposed domains outlined in the current Bill



Our concern lies with the extent the domains overlap. The *air* and *atmosphere & climate* domains overlap (see perpendicular lines). In one case three domains overlap, the *marine domain*, the *air domain* and the *atmosphere and climate domain* (see interconnecting perpendicular lines).

We would like to see each domain stand on its own (i.e. no crossovers), but also see every part of the environment being included. Our suggestion is shown in Figure 3; these four domains would provide clear boundaries between domains, as it limits confusion over what is in or not in a domain yet represents every part of the system.

Figure 3: The four domains suggested by the Institute (taking a whole systems approach without any overlaps)



- a. In Clauses 3, 4 and 9, we propose that the *Marine domain* should be changed to *Saltwater domain* and should not include air or atmosphere in its description.
 - b. In Clauses 3, 4 and 9, *Air* [and] *Atmosphere and Climate* domains should be combined to create one *air domain*. This would be more logical as atmosphere includes both air and climate.
 - c. In Clause 11, change domain reporting to biannually – two reports to be released one year and another two the following. As a result, every two years ‘four’ *domain reports* are prepared rather than five every 2 ½ years. This would work better with the work programme of StatisticsNZ (see recommendation 3 below) and align data to the same time period every second year, making it much easier for preparers to collect data during the same time of the year. This would also create a more useful foundation for MfE when preparing their syntheses report (also see recommendation 3 below) creating more clarity for users in that domain reports will be able to be easily read and compared with two years ago and enable users to provide feedback on a domain report that will be less than two years before the next report is published, creating a regular and timely reporting cycle.
3. Ensure better accountability and transparency of roles
 - a. In Clauses 6 and Clause 9, change the ‘must jointly’ to *The secretary* for a synthesis report and *the Government Statistician* for the domain reports.
 This would clearly separate lines of responsibility and accountability and in our view, placing the reports where they belong. StatisticsNZ reporting on information and MfE reporting on strategic knowledge (as per assumption 2 above). MfE is the best organisation in the country to analyse and reflect on the meaning of the data reported in the domain reports. They can employ the necessary experts to, not only understand the data from the domain reports, but reflect on the inter-relationships between domains, such as demonstrating how climate change affects all four domains. In contrast, StatisticsNZ is the best organisation to collect and prepare domain reports. They also are best placed to understand the technical aspects of producing data sets and following best international practice over what data and information is emerging as critically important to collect and report on.

4. Ecological Integrity' must be clearly defined in the interpretation
 - a. In Clauses 7 and 10, 'ecological integrity' is included. The Institute supports a definition of 'Ecological Integrity' to be contained in the interpretation and supports the proposal contained in the Environmental Defense Society (EDS) submission. It proposes the definition from the *Regional Council Biodiversity Monitoring Framework*:

'Ecological integrity is defined as the full potential of indigenous biotic and abiotic features, and natural processes, functioning in sustainable communities, habitats, and landscapes (Lee et al. 2005). Ecological integrity is achieved when all the indigenous organisms (plants, animals, fungi, etc.) typical of a region are present, together with the key processes that sustain functional relationships between all these components, across all of the ecosystems represented in New Zealand. At larger scales, ecological integrity is achieved when ecosystems occupy their full environmental range.'⁴

5. Opportunity to simplify Clauses 7 and 10
 - a. Combine (1) and (2) for both Clauses 7 and 10. It does not seem necessary to distinguish between the two sub-clauses as both *describe*.
6. Reporting should focus on benefits, costs and risks
 - a. In Clause 7(1)(c)(iii) and Clause 10 (1)(c)(iii), rewrite (1)(c)(iii) *Economic benefits derived from utilising natural resources* to read: *Benefits, costs and risks derived from utilising natural resources*. To look at benefits, and more specifically economic benefits in isolation does not provide the whole story. We need to ensure the scope is wide enough to meet the purpose of the Bill.
7. Reporting to take into account a Maori perspective in regard to the environment
 - a. In Clause 7 and Clause 10, include a sub-clause along the lines of: (1)(iv) *take into account the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga*. The scope of the reports should be sufficiently wide to meet the purpose, which demands a New Zealand lens (and therefore must include a Maori lens).
8. Every two years 'one' synthesis report is prepared by MfE, rather than every three years
 - a. In Clause 8, change 'once every three years' to 'once every two years'.
 These reports aim to provide strategic knowledge, not data or information. These reports should build on the domain reports to try and explain what is happening over time through the creation of a narrative. If, as suggested in 3 above, the domain reports are published once every two years, there exists an opportunity to align the synthesis report with the four previous domain reports. Regular two yearly reports would make providing feedback easier for the public, private sectors and civil society. Costs are likely to be less with more regular synthesis reporting with improvements taking a shorter period of time. Reporting is about good systems as much as good data. Good systems often deliver better data, as gaps or areas of poor quality are easier to identify and rectify if reporting is over smaller time frames (two years rather than three). Preparers are likely to learn more about the data, its quality and the best type of reporting system with regular use. Users will benefit from two yearly reports; they will become better informed.
 Lastly, as indicated in the explanatory note, it is recognised that the current system is poor and requires significant improvement. More regular reporting is likely to bring about improvement through frequent reiteration and regular feedback (e.g. every two years) rather than through longer periods of preparation and presentation (i.e. the three years cycle as proposed in the Bill).

⁴ Ibid, page 2.

9. Reporting principles should be included in the Bill

a. In Clause 12, a set of guiding principles should be included.

The following guiding principles are taken from the International Integrated Reporting Council's (IIRC) *International <IR> Framework*;

The following Guiding Principles underpin the preparation and presentation of an integrated report, informing the content of the report and how information is presented:

1. Strategic focus and future orientation
2. Connectivity of information
3. Stakeholder relationships
4. Materiality
5. Conciseness
6. Reliability and completeness
7. Consistency and comparability

These Guiding Principles are applied individually and collectively for the purpose of preparing and presenting an integrated report; accordingly, judgment is needed in applying them, particularly when there is an apparent tension between them (e.g., between conciseness and completeness) (IIRC, 2013: 16).

The *International Intergrated Reporting Framework* is best practice and is as a result of significant international engagement. We suggest taking a closer look at this framework, and in particular the meaning and purpose of the seven principles above. We believe these principles should be included in the legislation as principles underpinning the preparation and presentation of the (proposed) two year *synthesis report* and the (proposed) *four domain reports*.⁵ The fact that these also apply to financial and social reporting, in our view, only strengthens their value as underpinning all reporting to the public.

There are a number of important aspects to note;

- 1) *Strategic focus and future orientation* is about reports being meaningful (or as the PCE refers – useful) so that the content provides foresight to the reader about impacts over time.
- 2) *Connectivity of information* is about showing a holistic picture of the combination, interrelatedness and dependencies between the data, information – and in the case of syntheses reports – strategic knowledge. For example, climate change may have a range of inputs, processes, outputs and outcomes, taking a holistic view enables a much deeper understanding of the data and information.
- 3) *Stakeholder relationships* is about the nature and quality of relationships. For example, improvements by the dairy industry to clean up water ways could fit within the freshwater domain and then explored further in the synthesis report.
- 4) *Materiality* is about reporting on the significant data, information and strategic knowledge. It requires focusing on the important issues, rather than trying to report on everything.
- 5) *Conciseness* is about the content being succinct and to the point. The focus must be on presenting reports that meet the needs of the public, not the academic experts or scientists but civil society. Although these experts/scientists might use the reports, they are likely to go to other more detailed sources to gather the information they require. In contrast these

⁵ See International Integrated Reporting Committee (IIRC) (2013). *The International <IR> Framework* Retrieved April 16, 2014 from: <http://www.theiirc.org/wp-content/uploads/2013/12/13-12-08-THE-INTERNATIONAL-IR-FRAMEWORK-2-1.pdf>

reports should be designed to provide an overview that informs the public in such a way so that previous questions can be answered, new questions/issues raised for further discussion/research and/or new data or information is sought (possibly to inform the nature of science challenges or public policy goals).

- 6) *Reliability and completeness* is about balance; acknowledging positive and negative impacts. In particular: (i) that data and information gaps exist and reporting on these gaps is good practice and (ii) that uncertainty over the quality of data and information exist and reporting on the level of uncertainty to users is also good practice. This earlier point aligns with para 42 of the EDS submission on this Bill, which also suggests gaps in information should be identified.⁶ [and]
- 7) *Consistency and comparability* is about presentation; that reports are (a) consistent over time and (b) able to be compared easily. This aligns with para 43 and 44 of the EDS submission on this Bill, which requests a mechanism to ensure regional councils measure environmental parameters in a consistent manner.⁷

10. Public consultation is essential on topics, but it is unclear why regulations and further Ministerial involvement is considered necessary

- a. In Clause 12, change as suggested by the PCE – that *clause 18* be deleted and instead ‘*the Government Statistician and the Ministry for the Environment release the list of the proposed topics for public consultation.*’⁸

On the bottom of page 2 of the *Environmental Reporting Bill Explanatory Note* it is suggested that *the topics to be reported on* (e.g. the data) will be developed through consultation, however it does not clarify whether this includes public consultation. The bottom of page 3 also refers to consultation but does not indicate if that includes public consultation. We suggest that it is in all of our interests for the topics in the domain reports and the information in the synthesis reports would benefit from public consultation. Scientific expertise and ethics are important components of quality environmental reports; but neither on their own tells the full story. Science can tell us about the world we live in but ethics tells us how we might choose to live our life. For this reason, public consultation invites a deeper discussion on what these reports should focus on. As we consider the content of these reports should change over time in response to the needs of the public, we would like to see the content to not be too prescriptive, but more experimental in nature – there is a risk of tying ourselves up into knots.

- b. Clause 18 should therefore be deleted, as regulations are not necessary.

There is a benefit of actually producing reports and then improving them rather than debating their content and slowing the process down. We believe the first four domain reports and the first synthesis report should be regarded as opportunities to learn on the job. There is a risk that the process suggested in the Bill will slow down the longer-term outcomes and may stagnate the process.

⁶ See EDS submission on the Environmental Reporting Bill (10 April 2013), page 6. Retrieved April 16, 2014 from: <http://www.eds.org.nz/content/documents/submissions/2014/140410%20-%20EDS%20submission%20on%20Environmental%20Reporting%20Bill%20%28final%29.pdf>

⁷ See EDS submission on the Environmental Reporting Bill (10 April 2013), page 6. Retrieved April 16, 2014 from: <http://www.eds.org.nz/content/documents/submissions/2014/140410%20-%20EDS%20submission%20on%20Environmental%20Reporting%20Bill%20%28final%29.pdf>

⁸ See PCE submission (April 2014), page 10. Retrieved April 16, 2014 from: <http://www.pce.parliament.nz/publications/submissions-and-advice/submission-on-the-environmental-reporting-bill-to-the-local-government-and-environment-committee/>

11. Disclosure of Information

- a. Clause 16 should be deleted. We support the recommendation of the PCE – that this clause be deleted.⁹

We believe the Official Information Act is an effective tool. From our reading, the experience of the 2007 MfE report (i.e. the final chapter) is unlikely to have been prevented from public release if the proposed clause 16 was enacted. Further if this change was allowed under environmental law, it could also be applied to other pieces of legislation, including financial markets and health. We consider there needs to be evidence of negative impacts to the country if this clause was to be enacted – it is hard to see what problem this clause, if enacted, would resolve. Environmental data must be publicly available and transparent for it to inform the public.

12. Other - Funding

- a. We support EDS's submission that funding must be made available to undertake this work (see para 46). It will require hard work to get environmental reporting up to the standard one would expect for a country that brands itself as *clean and green* and *100% pure*. We currently have little environmental reporting; therefore it will take a concerted effort to deliver on this Bill. Not to support this Bill with adequate funds to deliver on its purpose is wasting an enormous opportunity to deliver economic benefits to private enterprise, and establish New Zealand in the wider international marketplace as a country that manages benefits, costs and risks to the environment in a transparent and honest manner.

D: Outstanding Questions

Without a draft of what the environmental reports might look like there seems to be a number of outstanding questions or areas where there may be fundamental misunderstandings as to what these reports will cover. What follows is our brief list of initial questions. We will expand on this thinking at our formal presentation in front of the committee (if we are invited to speak).

1. Is projected data and information included in domain and/or synthesis reports?
2. International frameworks – which ones have been considered in terms of the content of this Bill?
3. Where does information on potential earthquake risks and building for such events stand in terms of environmental reporting?
4. Where does drilling information in the ocean stand in regard to environmental reporting?
5. Are icebergs considered part of the marine domain or land? Where does Antarctica fit?
6. Do we need to define what is meant by topics or statistics?

⁹ See PCE submission (April 2014), page 8. Retrieved April 16, 2014 from: <http://www.pce.parliament.nz/publications/submissions-and-advice/submission-on-the-environmental-reporting-bill-to-the-local-government-and-environment-committee/>

E: Implications of the above recommendations on the actual text in the Bill

The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Environmental Reporting Act 2014.

2 Commencement

This Act comes into force on the earlier of the following:

- (a) a date appointed by the Governor-General by Order in Council (and 1 or more orders may be made bringing different provisions into force on different dates);
- (b) the day that is 9 months after the date on which this Act receives the Royal assent.

Part 1 Preliminary provision

3 Purpose

The purpose of this Act is to—

- (a) require regular reports on the state of New Zealand's environment as a whole **through the preparation of a synthesis report;**
- (b) require regular reports on the state of four environmental domains: the **air, atmosphere and climate, freshwater, land, and saltwater-marine domains;**
- (c) ensure that producers of environmental reports act independently and produce **fair, transparent, meaningful, material, complete** and accurate reports;
- (d) **[new] ensure where uncertainty over the accuracy of content exists, that the level of uncertainty is also reported upon.**
- (d) **ensure that the expertise of government departments is utilised in producing environmental reports;**
- (e) **affirm the role of the Parliamentary Commissioner for the Environment in reporting on environmental reports and the processes that produced the reports.**

4 Interpretation

In this Act, unless the context otherwise requires,—

air domain means the domain surrounding the earth that is composed of gases, vapours, and particulates

atmosphere and climate domain—

(a) means the domain that—

(i) extends from the surface of the earth to the outer layer of the stratosphere; and

(ii) is composed of gases, particulates, and meteorological conditions; and

(b) includes climate; **and**

(c) **includes the domain surrounding the earth that is composed of gases, vapours, and particulates**

biodiversity means the variability among living organisms, and the ecological complexes of which they are a part, including diversity within species, between species, and of ecosystems

climate means meteorological conditions and their variations, including solar radiation, temperature, humidity, clouds, precipitation, atmospheric pressure, and wind

Commissioner means the Parliamentary Commissioner for the Environment appointed under the Environment Act 1986

domain report means a report of a kind required to be produced by section 9

ecological integrity is the full potential of indigenous biotic and abiotic features, and natural processes, functioning in sustainable communities, habitats, and landscapes. Ecological integrity is achieved when all the indigenous organisms (plants, animals, fungi, etc.) typical of a region are present, together with the key processes that sustain functional relationships between all these components, across all of the ecosystems represented in New Zealand. At larger scales, ecological integrity is achieved when ecosystems occupy their full environmental range.

ecosystem means a system of organisms interacting with their physical environment and with each other

environmental report means a synthesis report or a domain report

freshwater domain—

(a) means the domain composed of water in all its physical forms; but

(b) does not include atmospheric water or water forming part of **the marine saltwater** domain

Government Statistician means the Government Statistician appointed under the State Sector Act 1988

land domain means the domain composed of land cover and soil, and includes minerals and associated elements

Saltwater domain marine domain—

(a) means the domain bounded on the landward side by the mean high-water mark, and on the seaward side by the outer limits of New Zealand's exclusive economic zone

and continental shelf; and (b) includes estuaries, the sea, the seabed, subsoil, and the air space above the area described in paragraph (a); and

(c) includes items of cultural and historic heritage within the marine domain

Minister for the Environment means the Minister of the Crown who, with the authority of the Prime Minister, is for the time being responsible for the administration of the Environment Act 1986

Minister of Statistics means the Minister of the Crown who, with the authority of the Prime Minister, is for the time being responsible for the administration of the Statistics Act 1975

Ministry means the department that is, with the authority of the Prime Minister, for the time being responsible for the administration of the Environment Act 1986

pressure means a natural or human-induced circumstance, factor, element, activity, or process

Secretary means the chief executive of the Ministry

Statistics New Zealand means the department of State established under that name by the Statistics Act 1975

Synthesis report means a report of a kind required to be produced by section 6.

5 Act binds the Crown

This Act binds the Crown

Part 2 Environmental reporting

Synthesis reports

6 Synthesis reports

- (1) The Secretary and the Government Statistician must jointly produce and publish reports on New Zealand's environment as a whole.
- (2) In subsection (1), **New Zealand's environment as a whole** includes the domains referred to in section 9.

7 Content of synthesis reports

- (1) Each synthesis report must describe, ~~in relation to the topics for the time being prescribed in regulations made under section 18,~~
 - (a) the state of New Zealand's environment as a whole;
 - (b) the pressures that may be causing, or have the potential to cause, changes to the state of New Zealand's environment as a whole;
 - (c) the impacts that the state of the environment and changes to the state of the environment may be having on the following:
 - (i) ecological integrity;
 - (ii) public health;
 - (iii) ~~economic~~ the benefits, costs and risks derived from utilising natural resources;
 - (iv) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, wsaahi tapu, and other taonga.
 - (v) culture and recreation.
- ~~(2) In addition to the matters set out in subsection (1), each synthesis report must describe~~
 - (d) changes to the state of New Zealand's environment as a whole over time, including, if information in the report is able to be compared with that in a previous synthesis report, changes to the state of the environment since that previous report was published;
 - (e) how the state of New Zealand's environment as a whole measures against national or international standards.
- (2) The Secretary and the Government Statistician are not required to include in synthesis reports information that cannot be obtained by using reasonable efforts but significant gaps in data and information must be identified..[NB: This provides a feedback loop to StatisticsNZ and others]

8 Frequency of synthesis reports

- (1) A synthesis report must be published once every 2-3 years.
- (2) The first synthesis report must be published by 30 June 2015.

Domain reports

9 Domain reports

The Secretary and the Government Statistician must jointly produce and publish reports on the following:

- ~~(a) the air domain;~~
- ~~(a) the atmosphere and climate domain;~~
- (b) the freshwater domain;
- (c) the land domain;
- ~~(d) the saltwater marine domain.~~

10 Content of domain reports

- (1) Each domain report must describe, ~~in relation to the topics for the time being prescribed in regulations made under section 18,~~
 - (a) the state of the domain the report relates to, including biodiversity and ecosystems dependent on that domain;
 - (b) the pressures that may be causing, or have the potential to cause, changes to the state of New Zealand's environment as a whole;
 - (c) the impacts that the state of the environment and changes to the state of the environment may be having on the following:
 - (i) ecological integrity;
 - (ii) public health;
 - (iii) ~~economic~~ the benefits, costs and risks derived from utilising natural resources;
 - (iv) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, wsaahi tapu, and other taonga.
 - (v) culture and recreation.
- ~~(2) In addition to the matters set out in subsection (1), each domain report must describe~~
 - (d) changes to the state of the domain over time, including, if information in the report is able to be compared with that in a previous domain report, changes to the state of the domain since that previous report was published;
 - (e) how the state of the domain measures against national or international standards.
- (2) The Secretary and The Government Statistician is not required to include in domain reports information that cannot be obtained by using reasonable efforts but significant gaps in data and information must be identified..[NB: This provides a feedback loop to StatisticsNZ and others.]

11 Frequency of domain reports

- (1) The first domain report for one of the domains listed in section 9 must be published within 6 months after the publication of the first synthesis report.

(2) A domain report for one of the domains listed in section 9 must be published at least once every 6 months, unless, within the next 6 months after the most recent domain report is published, a synthesis report is due to be published. [NB: this is now possible as StatisticsNZ would be responsible for the domain reports and MfE for the synthesis reports – so they can be prepared to a tighter time frame, the latter relying on the last four domain reports]

(3) If, by virtue of subsection (2), a domain report is not published because of the publication of a synthesis report, the domain report must be published within the next 6 months after the synthesis report is published.

(3) Each of the domains listed in section 9 must be reported on at least once every 3 2 years.

(4) The first domain report must be published by 30 June 2015. [NB: This means four domain reports will have been produced and useable for the next synthesis report due on 20 June 2017]

Production of environmental reports

12 Overview of process for producing environmental reports

The process for producing an environmental report involves the following steps:

(a) The following principles must guide the production of an environmental report:

(i) strategic focus and future orientation

(ii) connectivity of information

(iii) stakeholder relationships

(iv) materiality

(v) conciseness

(vi) reliability and completeness

(vii) consistency and comparability

the topics to be reported on are prescribed by regulations made under section 18, after the Minister for the Environment and the Minister of Statistics are satisfied

that the topics meet the requirements of section 18(2); and

(b) the statistics to measure those topics are selected in accordance with section 13(2); and

(c) the procedures and methods to be used in providing those statistics in an environmental report are selected in accordance with section 13(4).

13 Roles of Secretary and Government Statistician

(1) In producing and publishing an environmental report, the Secretary and the Government Statistician must utilise the expertise of the Ministry and Statistics New Zealand.

(2) Before producing a synthesis report, the Secretary must, after consulting the Government Statistician and the public, decide what topics and what statistics will be used to measure topics prescribed by regulations made under section 18.

(3) Before producing a domain report, the Government Statistician must, after consulting the Secretary and the public, decide what topics and what statistics will be used to measure topics prescribed by regulations made under section 18.

(3) In deciding under subsection (2) what statistics will be used to measure topics, the Government Statistician must—

(a) follow what he or she believes to be best practice principles and protocols; and

(b) be satisfied that the statistics accurately represent the topic they purport to measure; and

(c) must obtain independent scientific advice on the statistics proposed. [NB: this is not necessary and simply raises questions about what this means – or change must to may as this is not necessary for all statistics (very expensive if applied to each and every statistics as it would require a wide range of experts)].

(4) The Secretary has the sole responsibility for deciding the procedures and methods that are to be used in providing statistics that will be included in a synthesis report

(5) The Government Statistician has the sole responsibility for deciding the procedures and methods that are to be used in providing statistics that will be included in a domain report.

14 Duty to act independently

In producing and publishing an environmental report, the Secretary and the Government Statistician must act independently of any Minister of the Crown.

15 Reports to be fair and accurate

The Secretary and the Government Statistician must, in so far as it is reasonably practicable, ensure that all environmental reports published give a fair and accurate representation of the state of New Zealand's environment as a whole, or the state of the domain being reported on.

16 Disclosure of information

(1) If any person involved in producing or publishing environmental reports receives a request for disclosure of information or analysis that will be, or has been, used in an environmental report to be published, that person must refer the request to the Secretary and the Government Statistician.

17 Role of Commissioner

(1) In accordance with his or her functions and powers under the Environment Act 1986, the Commissioner may, at his or her discretion, report on an environmental report and the processes that produced it.

(2) The matters that the Commissioner may report on under subsection

(1) include, but are not limited to,—

(a) analysing environmental reports:

(b) identifying trends:

- (c) discussing the implications of environmental report findings;
- (d) recommending responses to environmental report findings.

Regulations

18 Regulations

(1) The Governor-General may, on the joint recommendation of the Minister for the Environment and the Minister of Statistics, by Order in Council, make regulations prescribing—

(a) topics to be covered in synthesis reports relating to—

(i) the state of New Zealand's environment as a whole;

(ii) the pressures that may be causing, or have the potential to cause, changes to the state of New Zealand's environment as a whole;

(iii) the impacts that the state of the environment and changes to the state of the environment may be having on the matters set out in section

7(1)(e);

(b) topics to be covered in domain reports relating to—

(i) the state of the domain;

(ii) the pressures that may be causing, or have the potential to cause, changes to the state of the domain;

(iii) the impacts that the state of the domain and changes to the state of the domain may be having on the matters set out in section 10(1)(e).

(2) Before recommending the making of regulations under subsection (1), the Minister for the Environment and the Minister of Statistics must be satisfied that any—

(a) pressure topic or impact topic affects significant areas, resources, or numbers of people;

(b) topic can be measured with robust statistical methods;

(c) pressure topic is closely related to any state topic that it is asserted to affect;

(d) impact topic is closely related to any state topic that is asserted to give rise to that impact.

(3) Before recommending the making of regulations under subsection (1), the Minister for the Environment and the Minister of Statistics must consult the Government Statistician and the Commissioner.

(4) In this section,—

impact topic means a topic of a kind referred to in subsection (1)(a)(iii) or (1)(b)(iii);

pressure topic means a topic of a kind referred to in subsection (1)(a)(ii) or (1)(b)(ii);

state topic means a topic of a kind referred to in subsection

(1)(a)(i) or (1)(b)(i);