

Submission | Proposed Environmental Reporting Bill

21 October 2011

Ministry for the Environment
PO Box 10362
Wellington 6143
New Zealand

To whom it may concern,

Please find attached the Sustainable Future Institute's submission on the proposed Environmental Reporting Bill. The Institute believes the quality of environmental reporting in New Zealand is poor, and therefore welcomes this discussion paper and the opportunity to contribute to work in this area. In particular we support calls by the Minister for the Environment and the Parliamentary Commissioner for the Environment to make environmental reporting mandatory.

In this submission we outline our support for the intent of this discussion paper but disagree with the second of the three objectives and the resulting proposed approach and make six recommendations.

We explain our concerns in this submission and suggest what we believe is a more robust and cost-effective proposal, one that not only guarantees the key functions of management, assurance and independent review are kept separate, but also ensures objectives one and three can be met without any fundamental change to the current institutional landscape.

We would welcome the opportunity to provide further comment and would like to register our interest in attending the symposium in Wellington in February 2012. Our contact details are provided below.

Kind regards,

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Chief Executive

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About the Sustainable Future Institute

The Sustainable Future Institute, which was founded in 2004, is a non-partisan think tank working for the public good, contributing strategic foresight through evidence-based research and policy analysis.

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Approach

Rather than simply answering the 18 questions contained in the discussion paper, we begin this submission by providing a brief insight into the experiences that have shaped our thinking.

We then revisit the discussion paper in terms of: (i) issues; (ii) objectives; and (iii) options. We discuss each subsection in turn and then present our six recommendations. The reason we have taken this approach is that we hope to explain our thinking in the same logical manner as has been adopted in the discussion paper.

As a result, the answers to the 18 questions are very brief, but the intent can be clearly followed within the discussion below.

Experience

In preparing this submission we draw on two of the Sustainable Future Institute's projects, Project 2058 and Project One Integrated Reporting.

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. One of the areas of interest that we have identified is the country's environmental health. To this end we studied the Ministry for the Environment's *Environment New Zealand 2007* report and the 2007 OECD *Environmental Performance Reviews: New Zealand*, then undertook further research which has progressed the Institute's Report 10: *State of New Zealand's Resources*. This work is relevant for two reasons.

Firstly we decided that a 'State of the Environment' report was not a descriptive enough title for the data we believe is essential to inform key decision-makers and the wider public. In accounting, these issues – where there is a lack of clarity over what is within the boundary of a report and what is not – are referred to as boundary problems.¹ For this reason we decided to adopt the title *State of New Zealand's Resources*. We suggest that the discussion paper, the proposal and to a lesser extent the Bill under its proposed title will lead to misunderstanding as to what is actually being reported on. We therefore suggest an alternative title as our first recommendation.

Secondly, when the Institute undertook this work we believed we would be able to monitor the quality and quantity of resources, but the reality was quite different. After spending considerable time trying to benchmark the quality and quantity of resources over time, we decided to change the aim of the final report to 'examining the challenges of accessing information and reporting comprehensively on New Zealand's resources'. This change was the result of finding that the data to meet our original aim was not easily or publicly available, so instead we have reverted to looking at ways to improve the system so that ourselves and others might be able to achieve the original aim in the future. For this reason, we very much appreciate the publication of the recent report of the PCE and this discussion paper released by the Minister for the Environment.

¹ See reporting protocols such as GRI Boundary Protocol (2005: 2): 'Setting reporting boundaries is therefore also a management exercise in identifying whose sustainability performance needs to be tracked and in what manner. The report boundary helps an organisation to understand and communicate which strategic risks and opportunities need to be managed, and the extent of its control or influence over them.'

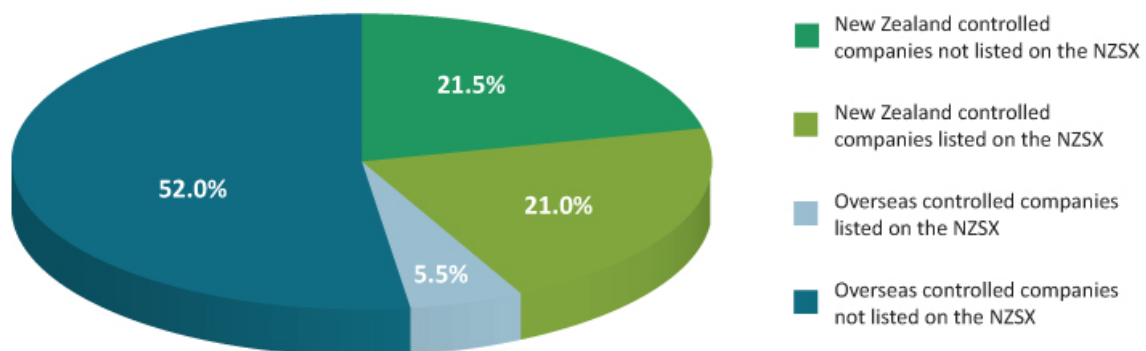
Project One Integrated Report promotes the use of one report that integrates environmental and social indicators alongside economic data. We believe that one entity should have just one report. Reporting in a silo manner (e.g. just financial data or just environmental data) is not adequate for today's complex, interconnected and highly dynamic world. Reporting moved from cash to accrual accounting because the world changed and operators needed to report these changes to business owners. Today we are seeing another shift, this time from financial reporting to reporting for sustainability, which is often referred to as integrated reporting. This time, however, the change is being led by concern from the public and business owners are heeding their calls by starting to produce reports that give a better overview of an entity's activities.

The Institute recently conducted a survey of the reporting models used by New Zealand's Top 200 companies (by revenue) and the results were published in our report *Integrated Annual Report Survey of New Zealand's Top 200 Companies*. We found that:

- 23.7% of the 59 respondents had already published an integrated report;
- 44.1% of the 59 respondents had calculated their greenhouse gas emissions, but only 18.6% had reported this information in their annual reports, and
- 83.1% of the 59 respondents had not asked stakeholders in the last five years whether they would like to receive more information on other aspects of the company's performance, such as environmental and social impacts.

With 57.5% of the Top 200 companies operating in New Zealand being overseas controlled, we need to ensure that companies act in the interests of New Zealand and New Zealanders. This percentage is higher than most other developed countries and, as such, New Zealand needs to ensure it has in place high quality and timely reporting systems both as a preventative measure and as a means of identifying and managing emerging problems in a timely manner.

Figure 1: Top 200 Companies by NZSX and by Overseas Control



The use of the term 'environmental' reporting in this discussion paper goes against the current international trend, which is to integrate data in reports so that readers are able to understand the links across and between economic, social and environmental impacts. This can perhaps best be seen in the establishment in 2010 of the International Integrated Reporting Committee (IIRC) and its recently released discussion paper *Towards Integrated Reporting* (submissions are due by 14 December 2011), all of which point to the need to see reports not in isolation, but at the very least as part of one integrated framework. From our experience, this is another reason why the title 'The State of the Environment' is not ideal and this leads to our first recommendation.

Recommendation 1: That the boundaries the report is aiming to report upon are represented more accurately in its title. A more appropriate title could be ‘The State of New Zealand’s Natural Capital’ or ‘The State of New Zealand’s Resources’.

The Discussion Paper

Below we revisit the key sections in the discussion paper, explaining our thinking as we go.

(i) Issues

We like the fact that this discussion starts by first defining the problem it is trying to solve, but believe that the first issue is actually two issues rolled into one. This leads to our second recommendation:

Recommendation 2: The two issues addressed in the discussion document are expanded to three. The three issues are:

Issue 1: There is a lack of statutory obligation in New Zealand requiring *regular* state of the *environment reporting* (we have highlighted the three components as the law, the timeliness and the content).

Issue 2: There is a lack of *statutory obligation* in New Zealand requiring *independent* state of the *environment reporting* (we have highlighted the three components as the law, the independence and the content).

Issue 3: There is a lack of *consistent regional* state of the environment *monitoring* programmes (we have highlighted the three components as the need for consistency, the collection of regional data and effective monitoring).

(ii) Objectives

The discussion document currently lists three objectives resulting from the two main issues identified in the document:

Objective 1: it is clear who is responsible for regular state of the environment reporting,

Objective 2: the role of state of the environment reporting is independent of Government,

Objective 3: high quality environmental statistics are available to underpin state of the environment reporting and environmental policy-making.

Given the amendments we have made to the issues in (i) above, we consider the number of objectives should be expanded and would be better written as follows:

1. Make the content relevant, assessable and cost-effective (content).
2. Collect regional data to report nationally (collection of regional data).
3. Make reporting consistent (consistency).
4. Make reporting regular (timeliness).
5. Create a statutory obligation (law).
6. Make the report trustworthy, which implies the data is able to be verified (independence).

In addition we believe there are five further objectives, making 11 objectives in all. Two arise from the Assessment Criteria outlined in the discussion document, one comes from Recommendation 1, one comes from the need for the data collected to be publicly accessible and the last is derived from best practice tools.

Recommendation 3: That the 11 objectives to be used to assess options are as follows:

1. Ensure the title corresponds with the content (new).²
2. Make the content relevant, assessable and cost-effective (content).
3. Collect regional data to report nationally (collect regional data).
4. Make reporting consistent (consistency).
5. Make reporting regular (timeliness).
6. Information is designed to be easily accessible by the public (new).³
7. Separate the roles of preparation, verification and review (new).⁴
8. Clarify in detail who is responsible for what (Assessment Criteria A).⁵
9. Create a statutory obligation (in law).
10. Align legal responsibilities with those of existing institutions (Assessment Criteria C).⁶
11. Make the report trustworthy, which implies the data is able to be verified (independence).

(iii) The Options

Given the clarity of the 11 objectives above, we do not believe any further assessment criteria is necessary. The discussion paper goes on to identifying five *reporting* options and four *collecting data* options, listed below:

The five *reporting* options identified in the paper are:

1. MfE is responsible but no statutory obligation (status quo).
2. MfE is responsible; amend the Environment Act accordingly.
3. PCE is responsible; amend the Environment Act accordingly.
4. EPA is responsible; amend the EPA Act accordingly.
5. Statistics New Zealand is responsible; amend the Statistics Act accordingly.

The four *collecting data* options in the paper are:

1. MfE (status quo).
2. MfE and Statistics New Zealand; amend the Statistics Act accordingly.
3. MfE and local authorities; amend the Resource Management Act accordingly.
4. PCE; amend the Environment Act accordingly.

² Developed from our Recommendation 1, which suggests the title of the report should reflect the content.

³ Developed from the intent of the report, but not expressly articulated in the objectives. We believe it is important that effort is put in to ensuring the data is presented in such a way that it can be understood and used by the general public.

⁴ Developed from best practice protocols, which suggest that the roles of preparation, verification and review should be undertaken by different institutions. There is a large body of data available on the conceptual frameworks underpinning best practice protocols in different fields. Some useful examples of these are the International Federation of Accountants' [Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities](#), and the European Corporate Governance Institute's [Index of all codes](#).

⁵ Developed from Assessment Criteria A in the discussion document, 'Provide certainty for state of the environment reporting'.

⁶ Developed from Assessment Criteria C in the discussion document, 'Be a natural fit with legislated responsibilities.

We believe the *reporting* options have a greater level of cause and effect than the *collecting data* options, which aligns with the order in which they are raised in the discussion document. However, the reporting solution should be considered in terms of two fundamental questions:

Question 1: Who can best collect the data to prepare the report? (Input – this is the primary thesis in the discussion paper).

Question 2: Who will most benefit from preparing the report? (Output and Outcome – this should be the agency best able to make decisions that actually improve outcomes; put bluntly, which institution has the power to make change?).

We argue that it is more logical to place the responsibility of the report with the agency who will use the information to inform national standards than with the agency who will find it easiest to collect the data. Given our preference for information being in the hands of those able to lead change and after taking into account the 11 objectives above, we make the following recommendation:

Recommendation 4: We believe that five different institutions are required to work together to meet the ten objectives above. This means that the five-yearly report involves five stages, each fulfilling a distinct role.

Stage 1: Data Collector: Local authorities complete the annual return and send it to Statistics New Zealand. The function of local authorities is to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach (see Appendix 1).

Stage 2: Data Provider: Statistics New Zealand could create a new dataset and place this data on a public website.⁷ The role of Statistics New Zealand is to provide official statistics for governments, businesses, communities and citizens that are trusted, of high integrity and quality, can be accessed by all and provide relevant and timely data on key aspects of New Zealand's economy, environment and society (see Appendix 1).

Stage 3: Information Provider: The EPA⁸ uses the Statistics New Zealand information and any other information they require to meet the purpose of the report. The EPA is the appropriate institution to prepare and publish the five-yearly report. The objective of the EPA as outlined in the EPA Act 2011 is 'to undertake its functions in a way that contributes to the efficient, effective, and transparent management of New Zealand's environment and natural and physical resources; and enables New Zealand to meet its international obligations' (see Appendix 1).

Stage 4: Verifier: The Office of the Auditor-General verifies the report: 'The role of the Auditor-General is to provide assurance to Parliament and the public that public sector organisations are operating and accounting for their performance in accordance with Parliament's intentions' (see Appendix 1).

⁷ Please also note in Recommendation 5 below, that Statistics New Zealand could then use this dataset to produce other reports, such as the one suggested.

⁸ Please note, alternatively the MfE could complete this role.

Stage 5: Reviewer: The PCE reviews the report (once it is published) and makes a public response. The responsibilities of PCE include ‘holding the Government to account for its environmental policies and actions; the Commissioner acts as a policy reviewer standing outside the system of environmental management and reporting on it’ (see Appendix 1).

Five-yearly Report Cycle

We agree with the discussion document that a five-yearly reporting cycle is the most suitable timeframe for an in-depth report that discusses performance at a broad level across New Zealand. This approach aligns with common international practice (see Appendix 2). However we believe that five years is too long for raw data not to be made available to decision-makers and the wider public. Not to make this raw data available means users are unable to scan for immediate impacts and identify hot spots. In making this point we are drawing a distinction between raw data and the need for analysis of the data which builds a narrative over time and allows a deeper discussion on national problems. This leads to our fifth recommendation:

Recommendation 5: Statistics New Zealand provides an ‘Annual Regional Report Card’, based on the data returned from local authorities. These annual reports would form the basis of the five year reports (see Recommendation 4) and would also act as a basis for other Statistics New Zealand’s Reports, such as *Measuring New Zealand’s Progress Using a Sustainable Development Approach: 2008*. The ‘Annual Regional Report Card’ would not only let New Zealanders know performance in their region, but also (i) how their region compares over time and (ii) how it compares with other regions.

Domains

The Institute believes the domains should be determined after consultation with the public and key stakeholders. If it is decided to put domains into legislation we suggest the domains developed for our work in Report 10 are considered.

Recommendation 6: That domains are left to the EPA, Statistics New Zealand and other interested parties to develop in consultation with the public; however, if there is a desire to tighten this up in legislation, we recommend adopting the domains the Institute developed for its Report 10, these are Land, Mineral Production, Energy, Water Resource, Fisheries and Aquaculture, Biodiversity, Forestry, Livestock and Crops, Atmosphere, Water Quality, and Soil.

Outstanding Issues

Lastly, there are a number of outstanding issues we believe should be determined before the Bill passes into law. These include:

1. The purpose of the report (including clarification of boundary issues).
2. Who will receive the report (e.g. will it be tabled in the House of Representatives?).
3. The frequency of reports.
4. Who will use the report?
5. What information will users of the report need?
6. How best should this information be presented and in what delivery format?
7. How the report might be used by decision-makers

8. How the report might be assessed now and in the future
9. Who will review and comment on the report?
10. How the report works with other reports to inform the public and ensure better decisions are made.
11. How it relates to other reports such as Statistics New Zealand's *Measuring New Zealand's Progress Using a Sustainable Development Approach: 2008* (particularly the indicators identified in this report) and other Sustainable Development Reports.
12. The nature and type of information that must be reported (so that boundary issues are resolved).
13. Who will collect the data?
14. Who will police the data (including defining penalties for providing intentionally misleading data or accidentally providing incorrect data)?
15. Who verifies the report (such as the Office of the Auditor-General)?
16. The roles and responsibilities of all key government agencies.
17. How the Bill compares with international systems (is it best practice?)
18. How the Bill aligns with our national brand.
19. The expectations of the Minister, Cabinet, and the House of Representatives.

Brief responses to each discussion question

1. **Do you agree with the issues identified above? Have the main issues been defined accurately?**
Not as they are written – see above.
2. **Are there any other issues that have not been considered?**
Yes – see above.
3. **What is the scale of the problem? Which is the bigger issue: the lack of statutory obligation requiring regular independent state of the environment reporting or inconsistent state of the environment monitoring?**
Both must be dealt with, but the first is the primary problem; without regulation we will not be able to receive consistent data.
4. **Do you agree with these objectives? Please give reasons**
No – see Recommendation 3 above.
5. **Do you agree with the assessment criteria? Please give reasons.**
No – see above.
6. **Do you agree with the preferred options? Please give reasons.**
No – see above.
7. **Is there an alternative option that has not been considered?**
Yes – see Recommendations 4 and 5 above.
8. **To what extent do the options address the identified problems?**

We have put forward our preferred approach – see above.

9. Are you aware of any other costs and benefits of the options?

See above.

10. Do you have any comment about which option would deliver the highest level of net benefit?

See our Recommendation 5.

11. What are the pros and cons of the proposed Environment Act amendment?

See above.

12. Is five-yearly reporting an appropriate reporting timeframe? If not, what time period would you recommend?

Yes. However, we believe that there should also be annual reports synthesized by Statistics New Zealand (see Recommendation 4).

13. What do you think about the proposed environmental domains that the PCE should report on in the state of the environment report? What topic areas or requirements (if any) would you suggest?

See Recommendation 6.

14. Outline any problems you perceive with the proposed RMA amendment?

We agree with the intent but believe Statistics New Zealand is the expert in regard to developing datasets and suggest that their role is clarified in the amendment and where possible that Statistics New Zealand is included in the decision-making process. Developing datasets requires a very robust conceptual framework and we believe Statistics New Zealand has the necessary expertise and can call on the expertise of international affiliates to design the very best monitoring system.

15. Which environmental domains (e.g., fresh water, land, oceans) do you think should be prioritised for improvements in consistency?

Prefer to leave to EPA consultation; see Recommendation 6.

16. Have we accurately reflected the high-level costs and benefits arising from the proposals for an Environmental Reporting Bill? Please give reasons.

It is a good discussion paper in that it provides a wide range of options that lead to consideration of all the options, but we believe there is more value to be gained from wider and longer consultation. The symposium is a great idea.

17. Can you identify any other high-level costs and benefits?

See above.

18. Do you have any information you would like to see included in the final cost-benefit analysis which will be carried out after the submissions are received and analysed?

There may be areas in the above discussion that require more explanation, which we would be pleased to provide. This is an area of study that we believe is very important for New Zealand's long-term future and we have added an additional list of 19 outstanding issues (pages 7 and 8) above.

Thank you again for the opportunity to comment on this discussion paper. It is an exciting initiative, and we look forward to engaging further with you and other interested parties on this issue. New Zealanders deserve an accurate and useful reporting system, and we thank you for working hard to try to deliver quality information for current and future generations. Quality information makes for quality decisions, and if we want to have a high standard of living we need reports that tell us where we are performing well and where improvements can be made.

Appendix 1: Purpose, Roles and Responsibilities of Key Institutions

Ministry for the Environment

The Ministry for the Environment (MfE) is a government department and the Government's principal adviser on the environment in New Zealand and on international matters that affect the environment. The functions of MfE are set out in s 31 of the Environment Act 1986:

- to advise the Minister on all aspects of environmental administration, including—
 - (i) policies for influencing the management of natural and physical resources and ecosystems so as to achieve the objectives of this Act;
 - (ii) significant environmental impacts of public or private sector proposals, particularly those that are not adequately covered by legislative or other environmental assessment requirements currently in force;
 - (iii) ways of ensuring that effective provision is made for public participation in environmental planning and policy formulation processes in order to assist decision making, particularly at the regional and local level;
- to solicit and obtain information from any source, and to conduct and supervise research, so far as it is necessary for the formulation of advice to the Government on environmental policies;
- to provide the Government, its agencies, and other public authorities with advice on—
 - (i) the application, operation, and effectiveness of the Acts specified in the [Schedule](#) in relation to the achievement of the objectives of this Act;
 - (ii) procedures for the assessment and monitoring of environmental impacts;
 - (iii) pollution control and the co-ordination of the management of pollutants in the environment;
 - (iv) the identification and likelihood of natural hazards and the reduction of the effects of natural hazards;
 - (v) the control of hazardous substances, including the management of the manufacture, storage, transport, and disposal of hazardous substances;
- to facilitate and encourage the resolution of conflict in relation to policies and proposals which may affect the environment;
- to provide and disseminate information and services to promote environmental policies, including environmental education and mechanisms for promoting effective public participation in environmental planning;
- generally to provide advice on matters relating to the environment;
- to carry out any other functions that may be conferred on the Ministry by any enactment.

MfE works with other government agencies that have interests in the environment and resource management, particularly through a network of natural resource agencies chaired and supported by MfE, and with regional councils. MfE is also responsible for administering government funding for grants under the [Community Environment Fund](#), the [Environmental Legal Assistance Fund](#) and the [Contaminated Sites Remediation Fund](#).

Environmental Protection Authority (EPA)

The Environmental Protection Authority (EPA) is an independent Crown agent and is provided for under the Environmental Protection Authority Act 2011 (EPA Act 2011). The EPA subsumes the former Environmental Risk Management Authority. Section 8 of the EPA Act states that the EPA is a Crown entity and subject to the Crown Entities Act 2004.

Under s 12 of the EPA Act 2011, the objective of the EPA is to undertake its functions in a way that contributes to the efficient, effective, and transparent management of New Zealand's environment and natural and physical resources; and enables New Zealand to meet its international obligations. These functions are set out in s 13 of the EPA Act 2011 and include administering applications for major infrastructure projects of national significance, and regulating new organisms (plants, animals, GM organisms) and hazardous substances and chemicals. From January 2012, the EPA will administer the Emissions Trading Scheme and New Zealand Emission Registry under the Climate Change Response Act.

Parliamentary Commissioner for the Environment

The Parliamentary Commissioner for the Environment is an independent officer of Parliament with wide-ranging powers to investigate environmental concerns. The Commissioner reports not to a Government Minister but to Parliament through the Speaker of the House and the Officers of Parliament Committee.

The Commissioner is responsible for holding the Government to account for its environmental policies and actions; the Commissioner acts as a policy reviewer standing outside the system of environmental management and reporting on it.

The office is established under the Environment Act 1986 and s 16 provides for the key functions of the Commissioner. These functions include:

- Review the system of agencies and processes set up by the Government to manage the country's resources, and report to the House of Representatives;
- Investigate the effectiveness of environmental planning and management by public authorities, and advise them on remedial action;
- Investigate any matter where the environment may be or has been adversely affected, advise on preventative measures or remedial action, and report to the House;
- Report, on a request from the House or any select committee, on any petition, Bill, or any other matter which may have a significant effect on the environment;
- Inquire, on the direction of the House, into any matter that has had or may have a substantial and damaging effect on the environment;
- Undertake and encourage the collection and dissemination of information about the environment; and
- Encourage preventive measures and remedial actions to protect the environment.

The Commissioner does not have the power to make binding rulings or reverse decisions made by public authorities.

Office of the Controller and Auditor-General

The Controller and Auditor-General (the Auditor-General) is an independent officer of Parliament, with their responsibilities and mandates set out under the Public Audit Act 2001. The Auditor-General carries out their functions through the Office of the Auditor-General and Audit New Zealand, and engages appointed auditors from private sector audit firms.

The role of the Auditor-General is to provide assurance to Parliament and the public that public sector organisations are operating and accounting for their performance in accordance with Parliament's intentions. There is also a need for independent assurance of local government, given that local authorities are accountable to the public for the activities they fund through locally raised revenue.

The Auditor-General carries out their functions through annual audits of all public sector organisations, as well as more detailed performance audits and inquiries into specific issues. Further, the Auditor-General has a function under the Public Finance Act to act on behalf of Parliament to monitor and control issuing of funds from the Crown bank account. This involves monitoring departmental and Crown financial reporting systems to ensure that the release of funds is supported by appropriation and is within lawful authority.

Statistics New Zealand

Statistics New Zealand is a government department lead by the Minister of Statistics and an independent Government Statistician, and operates under the authority of the Statistics Act 1975. Statistics New Zealand's role is to provide official statistics for governments, businesses, communities and citizens that are trusted, of high integrity and quality, can be accessed by all and provide relevant and timely information on key aspects of New Zealand's economy, environment and society.

The Government Statistician is the administrative head of Statistics New Zealand, and the duties and statutory independence of this role are set out in the Statistics Act 1975. Section 15 provides for the technical and professional independence of the Government Statistician:

- (1) The Statistician shall have the sole responsibility for deciding the procedures and methods employed in the provision of any statistics produced or to be produced by the Statistician, and shall also have the sole responsibility for deciding the extent, form, and timing of publication of those statistics.

- (2) Notwithstanding the provisions of subsection (1) of this section, where at the direction of the Minister the Statistician is required to collect or cease collection of statistics of any kind provided for by this Act and the Statistician would not without such a requisition produce or cease production of those statistics, he shall carry out the direction of the Minister, but the Statistician in such circumstances may make public without comment the fact that the statistics have been collected and published, or that collection and publication has ceased, at the direction of the Minister.

This statutory independence is the basis for ensuring the objectivity and authoritative status of the statistics produced by Statistics New Zealand.

Local Government

The Local Government Act 2002 provides for democratic and effective local government. Local government bodies carry out the functions and powers delegated by Parliament.

Under s 3(d) of the Local Government Act, local authorities are required to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach. In taking a sustainable development approach, the Act requires that local authorities take into account:

- i. the social, economic, and cultural well-being of people and communities; and
- ii. the need to maintain and enhance the quality of the environment; and
- iii. the reasonably foreseeable needs of future generations.

Appendix 2: State of the Environment Reporting: International Comparison

Country	State of Environment reporting	Responsible body
Australia⁹	State of the Environment (SoE) reporting occurs at both the national and state/territory level. Some regional-scale reporting also occurs in many areas throughout Australia.	At a national level, the Minister for Environment Protection, Heritage and the Arts is required, under the Environment Protection and Biodiversity Conservation Act 1999, to table a report in Parliament every five years on the State of the Environment. The intent of this report is to capture and present, in as accurate and useful a format as practicable, key information on the state of the 'environment' in terms of: its current condition; the pressures on it and the drivers of those pressures; and management initiatives in place to address environmental concerns, and the impacts of those initiatives.
Canada¹⁰	The Canadian Environmental Sustainability Indicators (CESI) program provides data and information to track Canada's performance on key environmental sustainability issues including climate change and air quality, water quality and availability, and protected nature. The environmental indicators are based on objective and comprehensive information and convey environmental trends in a straightforward and transparent manner.	The indicators are prepared by Environment Canada with the support of other federal government departments, such as Health Canada, Statistics Canada, Natural Resources Canada, Agriculture and Agri-Food Canada, as well as provincial and territorial government departments. Environment Canada is a federal government department that works with citizens, non-governmental groups, research facilities, other federal departments, provincial and territorial governments, Aboriginal peoples, private sector organisations, and international organizations.
United Kingdom¹¹	<i>The State of the Natural Environment 2008</i> report was the UK's first comprehensive State of the Environment report and brought together evidence about the current state of the natural environment across Natural England's remit. It was supported by State of the Natural Environment reports for each of England's nine regions.	Natural England put together the <i>State of the Natural Environment 2008</i> report. Natural England is the government's advisor on the natural environment. Natural England's purpose under the Natural Environment & Rural Communities Act is 'to ensure that the natural environment is conserved, enhanced and managed for the benefit of present and future generations, thereby contributing to sustainable development.' Natural England takes direction from the Secretary of State for Environment, Food and Rural Affairs.
Finland¹²	In 2008 the Finnish Environment Institute published a report 'State of the Environment 2008', which summarises the information available online, compiling data on the most important and topical issues concerning the state	The Finnish Environment Institute released both the <i>State of the Environment</i> report and the <i>Environmental Monitoring</i> report. The Institute is a research institute and government agency under the Ministry of the Environment. The Ministry

⁹ Information on Australian State of the Environment reporting was sourced from: Department of Sustainability, Environment, Water, Population and Communities (2009). *State of the Environment reporting*. Retrieved October 19, 2011 from <http://www.environment.gov.au/soe/index.html>

¹⁰ Information on Canadian State of the Environment reporting was sourced from: Environment Canada (2011). *Canadian Environmental Sustainability Indicators Report*. Retrieved October 19, 2011 from <http://www.ec.gc.ca/indicateurs-indicators/default.asp?lang=En&n=2102636F-1>.

¹¹ Information on United Kingdom's State of the Environment reporting was sourced from: <http://www.naturalengland.org.uk/publications/sona/default.aspx>.

¹² Information on Finnish State of the Environment reporting was sourced from: Ministry for the Environment (Ympäristöministeriö) (2011). *The state of the environment in Finland*. Retrieved October 19, 2011 from <http://www.ymparisto.fi/default.asp?node=4065&lan=en>

Country	State of Environment reporting	Responsible body
	<p>of the environment.</p> <p>Further, in 2006 the Finnish Environment Institute published a comprehensive report on Environmental Monitoring in Finland. It is a summary of the environmental monitoring activities of the large number of national institutes. It contains a section entitled 'State of the Environment'.</p>	<p>leads national efforts and encourages cooperation in safeguarding biodiversity, promoting sustainable development, and securing a good living environment for both current and future generations. Other government authorities, research institutes and universities in Finland are also involved in many projects monitoring and assessing the state of the environment.</p>
Singapore ¹³	<p>The Singapore State of the Environment report highlights Singapore's achievements to date, the current situation and future challenges in the areas that come under the charge of the Ministry of the Environment and Water Resources (MEWR).</p>	<p>The Ministry for the Environment and Water Resources created the 2005 and 2008 reports. These reports also included the work of MEWR's two statutory boards – the National Environment Agency (NEA) and PUB, the national water agency.</p>

¹³ Information on Singapore State of the Environment reporting was sourced from: Ministry of the Environment and Water Resources (2009). *State of the Environment 2008 Report, Singapore*. Retrieved October 19, 2011 from <http://app.mewr.gov.sg/web/Contents/Contents.aspx?ContId=1233>