

May 2010

## Report 10A

# 2058

Designing a  
Framework to Monitor  
New Zealand's  
Resources

**Report 10a**  
**Designing a Framework to**  
**Monitor New Zealand's**  
**Resources**

**Version 1**

**May 2010**

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<b>Prepared by</b>	Sustainable Future, as part of <i>Project 2058</i>
<b>Authors</b>	Wendy McGuinness and Jean-Charles Perquin
<b>In addition to the report's main authors, the research team included</b>	Jessica Prendergast
<b>External reviewers</b>	Dr Beat Huser, Stephen Oakley, Wayne Silver, Dr Sean Weaver and Dr Morgan Williams
<b>For further information</b>	Sustainable Future Phone (04) 499 8888 Level 2, 5 Cable Street PO Box 24222 Wellington 6142 New Zealand <a href="http://www.sustainablefuture.info">www.sustainablefuture.info</a>
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# Contents

<b>Preface</b>	<b>1</b>
<b>Executive Summary</b>	<b>2</b>
<b>1. Purpose</b>	<b>5</b>
1.1 The Sustainable Future Institute	5
1.2 <i>Project 2058</i>	5
<b>2. Methodology</b>	<b>7</b>
2.1 Position Statement	7
2.2 Terminology	7
2.3 Information Collection	8
2.4 Limitations and Boundaries	8
2.5 Method of Analysis	8
<b>3. Exploring a Range of Models</b>	<b>10</b>
3.1 Traditional Science-based Approaches	10
3.2 The Ecosystem Services Approach	12
3.3 The Accounting Systems Approach – SNA and SEEA	13
3.4 The Framework to Measure the Progress of Societies	15
<b>4. Developing an Appropriate Framework</b>	<b>16</b>
4.1 Defining Resource Types	17
4.2 Designing the Dataset Framework	18
<b>5. The Eleven Datasets</b>	<b>22</b>
5.1 The Sources of the Data	24
<b>6. Next Steps</b>	<b>27</b>
<b>Abbreviations</b>	<b>29</b>
<b>References</b>	<b>46</b>

## Tables

Table 1	Summary of the Dataset Framework	21
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## Figures

Figure 1	The Eleven Datasets and their Indicators	3
Figure 2	The Method	9
Figure 3	Taxonomic Classification of Humans	11
Figure 4	The Four Spheres of the Earth System	12
Figure 5	Ecosystems and Services	12
Figure 6	Environmental Assets within the 1993 SNA	13
Figure 7	Excerpt from SEEA Asset Classification	14
Figure 8	The Framework to Measure the Progress of Societies	15
Figure 9	How the Three Types of Resources Interrelate	18
Figure 10	The Eleven Datasets and their Indicators	22
Figure 11	The Five Stages	28

## Appendices

Appendix 1	The Dataset Framework	31
Appendix 2	The Ecosystem Services Definition	44

## Preface

We measure what we value, and we manage what we measure.

Throughout time societies have been completely reliant upon the state of their natural resources. Both the resources themselves, and their health, have a major influence on the prosperity and well-being of any nation. Hence, it is of primary importance to ‘measure what we value’ in a way that respects the efforts of past New Zealanders, meets the needs of the present, while at the same time protecting resources for the use and enjoyment of future New Zealanders, thus maximising New Zealand’s long-term prospects.

Comprehensive reporting on the state of resources and the natural environment is a difficult exercise due to both the scale of the task and its complexity. However the desire to measure and manage resources continues to generate a number of insightful reports that add to the wider debate on New Zealand’s long term future.

The Ministry for the Environment’s report *Environment New Zealand 2007* (first published in 1997) uses a set of indicators to report on key aspects of New Zealand’s environment and to track how these aspects have changed over time. Other reports, such as *Measuring New Zealand’s Progress Using a Sustainable Development Approach: 2008*, published by Statistics New Zealand (2009), present an overarching view of New Zealand’s environmental, economic and social progress, and an assessment of whether progress has been consistent with sustainable development. A recent review by the Parliamentary Commissioner for the Environment (2010), *How Clean Is New Zealand? Measuring and reporting on the health of our environment*, investigates the way the ‘state of the environment’ is assessed by councils in New Zealand, and recommends changes that will improve the quality and usefulness of the process. It also confirms conclusions drawn in the reports mentioned above regarding issues around the reliability and consistency of available information in order to describe and evaluate New Zealand’s environment successfully. Similarly, the *Environmental Performance Review of New Zealand*, released by the OECD (2007), was published to ‘help member countries improve their individual and collective performances in environmental management’. The review considered the quality of New Zealand’s national monitoring system and made 38 recommendations that could contribute to further environmental progress in New Zealand, many of which focus on establishing more effective standards and useful indicators to measure progress.

Although all the above reports increase our understanding of the challenges ahead, none of the four contain a comprehensive stocktake of New Zealand’s resources over time. This report and the resulting datasets attempts to meet this purpose.

The authors would like to thank the external reviewers, in particular Dr Beat Huser, Stephen Oakley, Wayne Silver, Dr Sean Weaver and Dr Morgan Williams, for reading the early drafts of this methodology and providing considerable guidance throughout the process. Naturally, any errors or matters of opinion remain the responsibility of the authors.

Wendy McGuinness  
Chief Executive

## Executive Summary

The purpose of this report is to explain the methodology the Institute has developed to inform Report 10, *The State of New Zealand's Resources*. The fundamental proposition underlying Report 10 is that 'we measure what we value'. The purpose of the report is two-fold. Firstly, it will help Sustainable Future develop a National Sustainable Development Strategy (NSDS) for New Zealand in late 2011.<sup>1</sup> Secondly, it will provide interested parties with comprehensive data on the state of New Zealand's resources, enabling them to consider, reflect upon and manage those resources effectively for our shared future.

This report explains how four models were explored: (i) traditional science-based approaches; (ii) an eco-systems approach; (iii) the accounting systems approach, and (iv) the frameworks to measure the progress of societies (Section 3). From this, we go on to develop what we consider the optimal framework (Section 4). Figure 1 lists the 11 datasets we have compiled, and shows how they are used to provide a comprehensive framework across all resources. Section 5 explains where data was collected from, and Section 6 explains how this information will be used to contribute to the development of an NSDS. Finally, the framework is presented in Appendix 1.

Importantly, this report is version 1 of the methodology. The Institute has no desire to duplicate the work of other organisations; we welcome feedback on this version in order to ensure the resulting data is both accurate and useful.

It is our hope that this work will help to progress New Zealand's reporting on resources in the future, particularly in terms of enabling New Zealanders to benchmark progress over time.

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<sup>1</sup> For further information about our work programme, see *Project 2058 Methodology: Version 3* (SFI, 2009).

Figure 1 The Eleven Datasets and their Indicators

<i>TYPE I – Natural Resources</i>	
<b>1</b>	<b>Land</b>
1.1	Land use – general
1.2	Land cover
1.3	Land use – specific (agriculture and forestry)
<b>2</b>	<b>Minerals</b>
2.1	Production of metals (including rocks, aggregate, limestone, etc.)
2.2	Production of non-metals
<b>3</b>	<b>Energy</b>
	<b>a Non-renewable energy</b>
3a.1	Energy production
3a.2	Energy consumption
	<b>b Renewable energy</b>
3b.1	Energy production
3b.2	Energy consumption
	<b>c Electricity</b>
3c.1	Electricity generation non-renewables
3c.2	Electricity generation renewables
3c.3	Electricity consumption
<b>4</b>	<b>Water Supply</b>
4.1	Freshwater inflow volumes
4.2	Freshwater outflow volumes
4.3	Change in storage volumes
4.4	Abstraction volumes
4.5	Discharge volumes
4.6	Groundwater stock volumes
<b>5</b>	<b>Fisheries and Aquaculture</b>
5.1	Fish capture quantity
5.2	Aquaculture production quantity & trade value
5.3	Fish exports quantity & trade value
5.4	Fish imports quantity & trade value
5.5	Fish stock assessment
<b>6</b>	<b>Biodiversity</b>
6.1	Number of known native species
6.2	Number of threatened species
6.3	Land area under pest management
6.4	Protected natural areas – terrestrial
6.5	Protected natural areas – marine
<b>7</b>	<b>Forestry<sup>2</sup></b>
	<b>a Natural forest</b>
7a.1	Removals & production <sup>3</sup>

<sup>2</sup> Forestry is the only dataset that is split between two types of resources, natural and human-generated; see also 7b.1 to 7b.7.

<sup>3</sup> Removals refer to the quantity of wood harvested per year.



*TYPE II – Human-generated Resources*

- 7 Forestry**  
**b Planted forest**  
 7b.1 Area & standing volume  
 7b.2 Exotic planting  
 7b.3 Exotic harvesting  
 7b.4 Area by species  
 7b.5 Production & consumption  
 7b.6 Exports of forestry products  
 7b.7 Imports of forestry products

- 8 Livestock and Crops**  
**a Livestock**  
 8a.1 Livestock numbers  
 8a.2 Meat production  
 8a.3 Milk production  
 8a.4 Exports  
  
**b Crops**  
 8b.1 Production of cereals  
 8b.2 Production of vegetables (outdoor)  
 8b.3 Production of vegetables (indoor)  
 8b.4 Production of fruits  
 8b.5 Fertiliser use  
 8b.6 Exports

*TYPE III – Whole System Resources*

- 9 Atmosphere**  
 9.1 Air quality  
 9.2 Greenhouse gas emissions & removals  
 9.3 Stratospheric ozone level  
  
**10 Water quality**  
 10.1 Freshwater quality  
 10.2 Seawater quality  
  
**11 Soil**  
 11.1 Soil health  
 11.2 Proportion of soils not meeting target range by soil health indicator  
 11.3 Number of identified contaminated sites by management category  
 11.4 Erosion-prone soil area

# 1. Purpose

The purpose of this report is to explain the methodology behind the 11 datasets, which together aim to measure New Zealand's resources over time. The information from these datasets will inform Report 10, *The State of New Zealand's Resources* (SFI, in press [a]). Our approach has been to create a comprehensive framework using publicly available data. This attempt differs from existing frameworks as it proposes to create a comprehensive stocktake of New Zealand's resources. Notably, this project differs in scope from the Ministry for the Environment's *Environment New Zealand 2007* report, in that the primary focus is on the quality and quantity of resources, rather than assessing New Zealand's environmental health.<sup>4</sup>

With this framework agreed, it will be possible to: (i) insert statistical data into each of the datasets; (ii) analyse the data within the datasets, and (iii) report on the implications. Step (i), the datasets, will be published online on our website. Step (ii), the data analysis, will be published as 11 separate working papers. Finally, step (iii), reporting on the implications, will be published in Report 10.

Our resources and how they are managed will be a key determinant of New Zealand's future, and understanding these resources is a vital step in progressing the Sustainable Future Institute's *Project 2058*.

## 1.1 The Sustainable Future Institute

The Institute is an independently funded think tank based in Wellington, New Zealand. Earlier work by Sustainable Future has indicated that New Zealand is well behind on its international obligations to develop and implement a National Sustainable Development Strategy (NSDS) (SFI, 2007). It is the aim of *Project 2058* to help inform ministers, policy analysts and members of the public about key events and trends in New Zealand's past, and alternative strategies for the future. With this in mind, this report is a step towards Sustainable Future's goal of preparing an NSDS for New Zealand in 2011.

## 1.2 Project 2058

The strategic aim of *Project 2058* is to promote integrated long-term thinking, leadership and capacity building so that New Zealand can effectively seek and create opportunities, and explore and manage risks, over the next 50 years. In order to achieve this aim, the *Project 2058* team is working to:

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<sup>4</sup> 'Environment New Zealand 2007 uses a set of environmental indicators to report on key aspects of the New Zealand environment and to track how these aspects have changed over time. This report will:

- provide useable and constructive information to foster informed decision-making on matters that affect the environment and encourage appropriate management approaches
- increase New Zealanders' understanding about the state of, and pressures on, our environment
- highlight the aspects of the environment that have come under particular pressure and those that require priority attention
- motivate all New Zealanders to take action to protect and conserve the environment.' (MfE, 2007: 4)

1. Develop a detailed understanding of the current national planning landscape, and in particular the government's ability to deliver long-term strategic thinking;
2. Develop a good working relationship with all parties that are working for and thinking about the 'long-term view';
3. Recognise the goals of iwi and hapū, and acknowledge te Tiriti o Waitangi;
4. Assess key aspects of New Zealand's society, asset base and economy in order to understand how they may shape the country's long-term future, such as government-funded science, natural and human-generated resources, the state sector and infrastructure;
5. Develop a set of four scenarios to explore and map possible futures;
6. Identify and analyse both New Zealand's future strengths and weaknesses, and potential international opportunities and threats;
7. Develop and describe a desirable sustainable future in detail, and
8. Prepare a *Project 2058* National Sustainable Development Strategy. (SFI, 2009: 3)

The culmination of *Project 2058*, the development of a National Sustainable Development Strategy (NSDS), depends on having an accurate assessment of key aspects of New Zealand society. Earlier reports have dealt in particular with points 1, 3, 5 and 6 above,<sup>5</sup> and this report is designed to help progress the fourth point: 'Assess key aspects of New Zealand's society, asset base and economy in order to understand how they may shape the country's long-term future ...'. Specifically, this report explains the purpose and methodology underlying Report 10.

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<sup>5</sup> For a detailed list of published and upcoming reports, see *Project 2058 Methodology: Version 3* (SFI, 2009: 7).

## 2. Methodology

To form a useful framework, the datasets must be organised in such a way that they are relevant, logical, easy to understand and able to stand the test of time. Datasets will be generated from currently published information, and when completed will be made available on the Sustainable Future Institute website.<sup>6</sup> In particular, the data will need to be well referenced so that policy-makers and the wider community are able to have confidence in the datasets, and the resulting analysis.

### 2.1 Position Statement

Wendy McGuinness is the founder and chief executive of the Sustainable Future Institute. She holds a BCom from the University of Auckland and an MBA from Otago University. In 2009 Wendy was conferred a Fellowship by the New Zealand Institute of Chartered Accountants for her contribution to the accountancy profession.

Jean-Charles Perquin is originally from Brittany, France. After completing a BSc at Rennes University, Lannion and the University of Littoral Côte d'Opale, Calais, he gained a Masters in Environmental Science at the University of Paul Cézanne, Marseille.

Jessica Prendergast holds a BA, with a double major in Criminology and Psychology, from Victoria University of Wellington. Before joining the Sustainable Future team she worked for the Ministry for the Environment, and has recently returned from an expedition in South America.

### 2.2 Terminology

One of the more significant challenges the research team faced was deciding what definition was to be used for the term 'resources'. Our research encompassed three types of resources: natural resources, human-generated resources and whole system resources. We have defined 'natural resources' broadly to include all resources naturally existing in the environment, without human intervention, i.e. water, air, forest, biodiversity. In contrast, 'human-generated resources' refer to resources that do not exist in their current form without human intervention, i.e. livestock, crops, planted forest. Lastly, 'whole system resources' refers to the system as a type of resource that must be monitored and managed because of its influences on natural and human-generated resources. Whole system resources include the atmosphere, water and soil. The term 'whole system' also implies that the three related datasets focus on measuring the quality of the environment (within which sit the previously mentioned resources) rather than the quantity of outputs stored or harvested. For further discussion, see Section 4.1.

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<sup>6</sup> See [www.sustainablefuture.info](http://www.sustainablefuture.info)

Another term we use throughout this report is ‘dataset’. In this project, a dataset defines a grouping of indicators that report on a specific resource such as land. Eleven datasets were defined: land, minerals, energy, water supply, fisheries and aquaculture, biodiversity, forestry, livestock and crops, atmosphere, water quality and soil.

## 2.3 Information Collection

The figures used to build up our database were gathered from various national agencies, ministries and Crown Research Institutes, along with international organisations. We support the free availability of data relating to environmental statistics. With this in mind, we deliberately used openly accessible data so that we were able to report on this availability and identify potential gaps. This in turn enables us to report on the implications and draw up recommendations for an improvement of current statistics on resources. Section 5.1 explains the specific sources used for each dataset.

## 2.4 Limitations and Boundaries

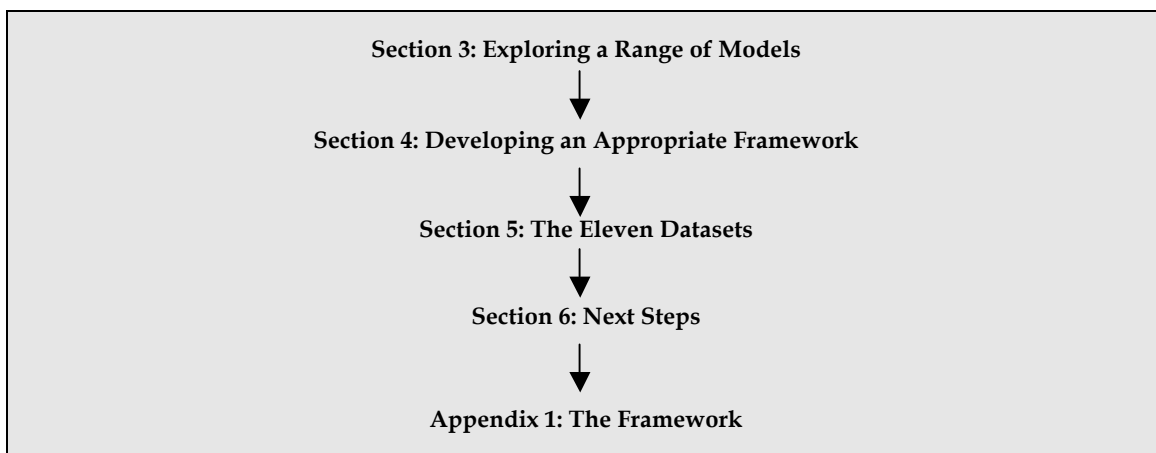
There are a number of limitations in the process of agreeing upon a framework. Firstly, the framework that has been adopted was developed by the research team, although where possible, was informed by international best practice. Further, as the aim was to create a comprehensive framework, this meant that the framework was designed first and then the data was collected. This resulted in some gaps in data within the datasets. Lastly, there remain concerns with data quality. Such concerns can be further broken down into: ‘its source, purpose and method of collection and analysis’ (Cofinas & Creighton, 2001).

## 2.5 Method of Analysis

Figure 2 sets out the steps undertaken to develop the list of datasets found at the end of this report. The process began with a review of other frameworks currently in use. These included traditional science-based systems of classification such as the biological kingdoms and the spheres in Earth Systems science, as well as the ecosystem services approach used by the Millennium Ecosystem Assessment (MA), and accounting systems approaches like the System of National Accounts (SNA) and the System of integrated Environmental and Economic Accounts (SEEA). The OECD’s Framework to Measure the Progress of Societies has also been considered.

From here, we began to develop our own framework, combining elements from each of the above. A summary of the final framework is included in Section 4. Section 5 lists the 11 different datasets, and the related indicators, which sit within this framework, as well as the sources of the data.

Figure 2 The Method



The detailed datasets will be available on the Sustainable Future Institute website. The folder will contain Excel copies of original documents together with PDFs containing full data sources. On completion of the datasets, a group of working papers will be completed, followed by a high-level overview of the state of New Zealand's resources, published as Report 10 of *Project 2058*.

### 3. Exploring a Range of Models

Four types of model were reviewed. The first group could be categorised as traditional science-based systems. They have been in existence for a long period of time, and include models based on biological kingdoms (i.e. animal, vegetable and mineral) and Earth System spheres (lithosphere, atmosphere, hydrosphere and biosphere). The second and third groups we reviewed are systems based on recent developments in resource classification: the ecosystem services approach developed by the Millennium Ecosystem Assessment (MA), and accounting systems approaches, that is, SNA and SEEA. The fourth group reviewed – the OECD’s Framework to Measure the Progress of Societies – is a model aimed at providing a comprehensive picture of how well-being is evolving. The review did not include a detailed assessment of each model; rather, the models were explored in terms of our aim of developing a useful framework for our review of New Zealand’s resources. The four broad approaches are each discussed briefly below.

#### 3.1 Traditional Science-based Approaches

Ancient knowledge of nature was founded on natural elements described as the basic constituents of the Earth: air, water, earth and fire. Over time, the development of science brought a better understanding of natural processes. In order to incorporate the notion of humans and their activities as part of a global system, it was necessary to design a template that combined the Biological Kingdoms and the Earth System spheres (lithosphere, atmosphere, hydrosphere and biosphere).

##### 3.1.1 Biological kingdoms

Taxonomy as a system of classification was developed by the Swedish naturalist Carl Linnaeus in the eighteenth century, and it is the internationally accepted system of classifying all living species. The system enables all living organisms to be placed within a hierarchy, as part of a group from kingdom to species. An example of the taxonomic classification of humans (*Homo sapiens*) can be seen in Figure 3.

**Figure 3 Taxonomic Classification of Humans**

Source: Nathan, 2009.

<b>KINGDOM: Animalia</b>
Multicellular organisms; cells with a nucleus, with cell membranes but lacking cell walls
<b>PHYLUM: Chordata</b>
Animals with a spinal chord
<b>CLASS: Mammalia</b>
Warm-blooded chordates that bear live young; females have mammary glands that secrete milk to nourish young
<b>ORDER: Primates</b>
Mammals with collar bone; eyes face forward; grasping hands with fingers; two types of teeth (incisors and molars)
<b>FAMILY: Hominidae</b>
Primates with upright posture, large brain, stereoscopic vision, flat face, different use of hands and feet
<b>GENUS: <i>Homo</i></b>
Hominids with S-curved spine, recognisable as human
<b>SPECIES: <i>Homo sapiens</i></b>
Humans with high forehead; well-developed chin; thin skull bones

### 3.1.2 Earth System spheres

The spheres of the Earth System (lithosphere: rock; atmosphere: air; hydrosphere: water, and biosphere: living systems) are the major physical and biological components of our living planet that function as an interdependent whole. The interactions between these spheres are studied in eco- and geo-physiology with the aim of increasing knowledge about how each sphere relates to the other spheres. For example, the study of nutrient cycling provides an opportunity to track the movement and transformation of chemical elements (e.g. nitrogen) between sources, sinks and reservoirs (e.g. nitrogen cycling through the atmosphere, soil, vegetation, animals and waterways). These spheres of the Earth System are thus subject to dynamic interactions and interrelations, including the exchange of matter and energy between the four components described in Figure 4.



**Figure 4 The Four Spheres of the Earth System**

Source: Adapted from Pidwirny, 2006.

**(i) Lithosphere:** describes the solid inorganic portion of the Earth (composed of rocks, minerals and elements). It can be regarded as the outer surface and interior of the solid Earth.

**(ii) Atmosphere:** is the vast gaseous envelope of air that surrounds the Earth. Its boundaries are not easily defined. The atmosphere contains a complex system of gases and suspended particles that behave in many ways like fluids.

**(iii) Hydrosphere:** describes the waters of the Earth ... Water exists on the Earth in various stores, including the atmosphere, oceans, lakes, rivers, soils, glaciers, and groundwater.

**(iv) Biosphere:** consists of all living things, plant and animal. This zone is characterised by life in profusion, diversity, and ingenious complexity.

## 3.2 The Ecosystem Services Approach

The concept of ecosystem services was adopted as part of the United Nations MA project in which 1360 experts were involved worldwide between 2001 and 2005 (MA, 2005a). The purpose of the MA project was to assess the implications of ecosystem changes for human well-being (MA, 2005b: v). The findings are contained in five technical volumes and six synthesis reports, providing a high-quality scientific explanation of the state and evolution of the world's ecosystems, the services these ecosystems provide, and suggestions to restore, conserve and enhance the sustainable use of ecosystems. Ecosystem services represent the benefit humans obtain from ecosystems; they are grouped into four categories, as shown in Figure 5.

**Figure 5 Ecosystems and Services**

Source: Adapted from UK Parliamentary Office of Science and Technology, 2007: 1, Box 1.

An ecosystem may be considered as a unit within which an assemblage of living organisms interact with one another and with the chemical and physical environment. The resulting natural processes establish a series of complex ecological balances.

The Millennium Ecosystem Assessment grouped ecosystem services into four broad categories:

**Supporting services**, such as nutrient cycling, oxygen production and soil formation. These underpin the provision of the other 'service' categories.

**Provisioning services**, such as food, fibre, fuel and water.

**Regulating services**, such as climate regulation, water purification and flood protection.

**Cultural services**, such as education, recreation, and aesthetic value.

### 3.3 The Accounting Systems Approach – SNA and SEEA

Two prominent models of accounting systems are discussed briefly below.

#### 3.3.1 The System of National Accounts (SNA)

The SNA, established in 1993, is a conceptual framework that sets the international statistical standard for the measurement of the market economy. It was published jointly by the United Nations, the Commission of the European Communities, the International Monetary Fund, the OECD, and the World Bank (UN STATS, 2009a).

The SNA framework includes a classification for environmental assets, which can be seen in Figure 6.

**Figure 6 Environmental Assets within the 1993 SNA**

Source: UNEP, 2003: 250, Table 7.1.

<b>AN.1</b>	<b>Produced assets</b>
	AN.11 Fixed assets
	AN.111 Tangible fixed assets
	AN.1114 Cultivated assets
	AN.11141 Livestock for breeding, dairy, draught, etc.
	AN.11142 Vineyards, orchards and other plantations
	AN.112 Intangible fixed assets
	AN.1121 Mineral exploration
	AN.12 Inventories
	AN.122 Work in progress
	AN.1221 Work in progress on cultivated assets
<b>AN.2</b>	<b>Non-produced assets</b>
	AN.21 Tangible non-produced assets
	AN.211 Land
	AN.2111 Land underlying buildings and structures
	AN.2112 Land under cultivation
	AN.2113 Recreational land and associated surface water
	AN.2119 Other land and associated surface water
	AN.212 Subsoil assets
	AN.2121 Coal, oil and natural gas reserves
	AN.2122 Metallic mineral reserves
	AN.2123 Non-metallic mineral reserves
	AN.213 Non-cultivated biological resources
	AN.214 Water resources
	AN.22 Intangible non-produced assets
	AN.222 Leases and other transferable contracts

### 3.3.2 System of integrated Environmental and Economic Accounts (SEEA)

The SEEA was developed in 2003 as a satellite system of the SNA.

It brings together economic and environmental information in a common framework to measure the contribution of the environment to the economy and the impact of the economy on the environment. It provides policy-makers with indicators and descriptive statistics to monitor these interactions as well as a database for strategic planning and policy analysis to identify more sustainable paths of development.

(UN STATS, 2009b)

The SEEA 2003 comprises four categories of accounts: (i) flow accounts for pollution, energy and materials; (ii) environmental protection and resource management expenditure accounts; (iii) natural resource asset accounts, and (iv) valuation of non-market flow and environmentally adjusted aggregates (UN STATS, 2009b). The SEEA also includes a classification for environmental assets, as shown in Figure 7 below.

**Figure 7 Excerpt from SEEA Asset Classification**

Source: UNEP, 2003: 252, Table 7.2.

<b>EA.1 Natural Resources</b>
EA.11 Mineral and energy resources (cubic metres, tonnes, tonnes of oil equivalents, joules)
EA.12 Soil resources (cubic metres, tonnes)
EA.13 Water resources (cubic metres)
EA.14 Biological resources
EA.141 Timber resources (cubic metres)
EA.142 Crop and plant resources, other than timber (cubic metres, tonnes, number)
EA.143 Aquatic resources (tonnes, number)
EA.144 Animal resources, other than aquatic (number)
<b>EA.2 Land and surface water (hectares)</b>
EA.21 Land underlying building and structures
EA.22 Agriculture land and associated surface water
EA.23 Wooded land and associated surface water
EA.24 Major water bodies
EA.25 Other land
<b>EA.3 Ecosystems</b>
EA.31 Terrestrial ecosystems
EA.32 Aquatic ecosystems
EA.33 Atmospheric systems
<b>Memorandum items – Intangible assets related to environmental issues (extended SNA codes)</b>
AN.1121 Mineral exploration
AN.2221 Transferable licences and concessions for the exploration of natural resources
AN.2222 Tradable permits allowing the emission of residuals
AN.2223 Other tangible non-produced environmental assets

### 3.4 The Framework to Measure the Progress of Societies

Another interesting model explored was the framework developed by the OECD following the Declaration of Istanbul. This was signed in 2007 by OECD members along with many other international organisations during the second world forum on measuring the progress of societies. The (Taxonomy) Framework of The Global Project aims at:

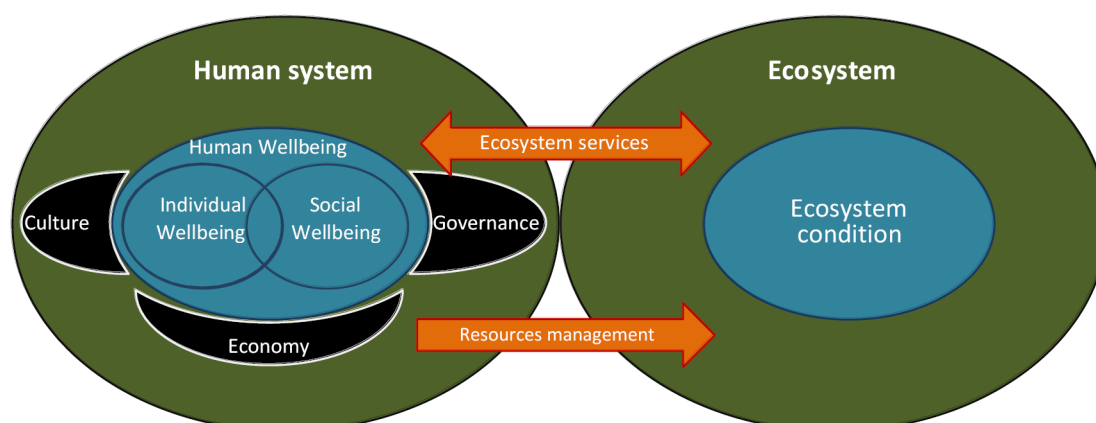
fostering the development of sets of key economic, social and environmental indicators to provide a comprehensive picture of how the well-being of a society is evolving.

(OECD, 2007b)

The (Taxonomy) Framework builds on several leading frameworks to help draw the societal progress dimensions and their measurements. Illustrated in Figure 8 below, the framework considers that societies are based on two systems, the human system and the ecosystem, linked through two different channels, 'resources management' and 'ecosystem services'.

**Figure 8 The Framework to Measure the Progress of Societies**

Source: OECD, 2009: 11, Figure 1.



## 4. Developing an Appropriate Framework

In developing an appropriate framework for our research, we initially listed the resources that we believed should be included. In order to select the appropriate resources, we started from a global approach describing the Earth as the macro system comprising all resources and forms of life. From there we considered each in light of how they had been treated in terms of the models described above and listed them according to their inclusion in the first model reviewed, i.e. the biological kingdoms. From this, the shape of the framework emerged, integrating the rest of the models as follows:

### **Traditional science-based approach**

Biological kingdoms were integrated in the framework by including resources like biodiversity, forestry and minerals, which link directly back to the animal, vegetable and mineral kingdoms.

The Earth System spheres were used in shaping the framework: lithosphere, atmosphere, hydrosphere and biosphere.

### **The ecosystem services approach**

The ecosystem services approach was included throughout the framework as it covers the entire spectrum. To attribute the different services to each resource, we measured each resource against each ecosystem service and integrated them following the Millennium Ecosystem Assessment definition (see Appendix 2).

### **The accounting systems approach – SNA and SEEA**

The accounting systems approaches helped direct the structure, terminology and meaning of the final framework. As the SNA did not include the depletion and degradation of natural capital (UNEP, 2003: 248–257), we looked more closely at the SEEA model, which better integrates the environmental constraints associated with the use of resources and adopts a classification system more in line with our requirements (see Figure 7).

### **The framework for measuring the progress of societies**

This model incorporates several existing leading frameworks and was certainly the closest model to our requirements. The only major difference between this framework and ours is the approach used. In the OECD model, the focus is on the human condition, as it aims at reporting on well-being. In our case, we strongly believe that the ecosystem should enclose all other systems, such as those reviewed in the science-based approaches in Section 3.1 above.

## 4.1 Defining Resource Types

As discussed in Section 2.2, we have defined ‘natural resources’ broadly to include all resources naturally existing in the environment, without human intervention, i.e. water, air, forest, biodiversity. In contrast, ‘human-generated resources’ refer to resources that do not exist in their current form without human intervention, i.e. livestock, crops, planted forests. In other words, human-generated resources are derived from the management of natural resources to create an asset for economic, environmental, social or cultural purposes.<sup>7</sup> Therefore economic assets, such as livestock, crops and forestry, have their own datasets. In addition, ‘human-generated resources’ are based on those derived from the environment,<sup>8</sup> and as such need to be viewed as distinct from ‘built assets’, such as communication and transportation infrastructure, which are treated separately in Report 11, *The Future of Infrastructure* (in press [b]).

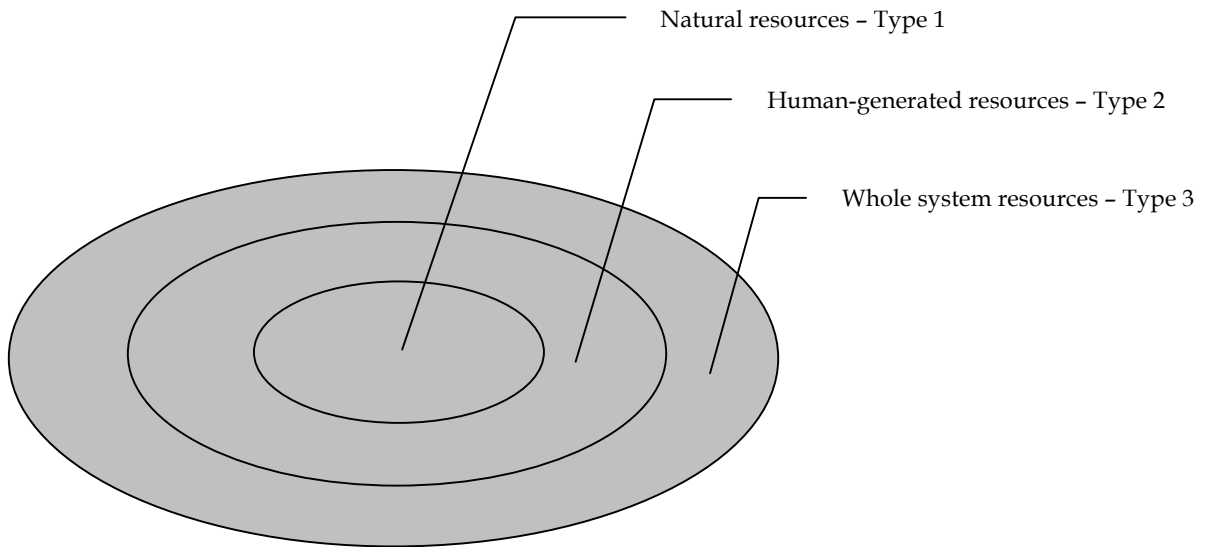
Lastly, ‘whole system resources’ recognises the linkages within and between natural resources and human-generated resources. In other words, the system as a whole is a type of resource that must be monitored and managed because of its influences on natural and human-generated resources. Whole system datasets include atmosphere, water quality and soil. The term ‘whole system’ also implies that these three datasets focus on measuring the quality of the environment (within which sit the previously mentioned resources) rather than measuring the quantity of outputs stored or harvested. Unlike the two types of resource described above, the indicators for whole system resources are often specific to a location – a city street corner, a stream or a section of land. Hence, as indicators, they tend to be very specific rather than national and significant fluctuations can exist.

The relationship between the three types of resource is perhaps best explained in terms of Figure 9 below, in that natural resources and human-generated resources remain dependent on the quality of the whole system, and human-generated resources remain dependent on the quantity and quality of natural resources. For example, if soil is contaminated, resources like biodiversity or crops will be directly impacted, affecting both natural and human-generated resources.

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<sup>7</sup> For example, flaxes or other native plants can be planted for cultural use.

<sup>8</sup> For the purposes of this paper, ‘derived’ includes products extracted and/or obtained from natural resources.

**Figure 9 How the Three Types of Resources Interrelate**

It is important to note that resources can move between categories. For example, in the emerging industry of marine management, where fish and shellfish are farmed, the data is currently included in Dataset 5 (see Table 1), but as these figures become more significant, they are likely to need their own dataset. A further example is natural forests. These have traditionally been seen as a natural resource, but, due to conservation efforts to replant native forests, these are now seen as a human-generated resource.

## 4.2 Designing the Dataset Framework

From the work described above, a unique framework was developed. This is summarised in Table 1. Further detail on the resulting 11 datasets (with their indicators) is provided in Figure 10 (p. 21). A complete copy of the dataset framework is provided in Appendix 1. The following is an explanation of the summarised dataset framework shown in Table 1.

### Column 1: Measurement Focus: Quality or Quantity

The measurement focus is the first category underpinning all resources. It states what is actually being measured in terms of quantity or quality. This distinction between quantity and quality in turn led to natural and human-generated resources (types 1 and 2) being separated from the whole system resources (type 3). As previously mentioned, resources included in type 3 are measured with a qualitative focus by location because these indicators cannot be meaningfully monitored using national averages. It would not be correct to set a single indicator for national air quality, as doing so would mask the differences between monitoring stations located in urban and rural locations. This type of resource is focused on regional data compared to other resources, in order to report information on resources in a meaningful and accurate manner.

**Column 2: Type of Resource**

This column shows which category the dataset falls into: Type I – Natural Resources; Type II – Human-generated Resources, or Type III – Whole System Resources.

**Column 3: Nature of Resource**

The next level describes the nature of the resource in terms of whether it is finite and/or fast-regenerating. Fast-regenerating resources are capable of regenerating within human management and planning time horizons, whereas finite resources only regenerate at time scales beyond human influence (e.g. thousands to millions of years). Further, the nature of the resources may also be described using other terms such as ‘stock’ and ‘flow’,<sup>9</sup> which are commonly used in the previously cited SNA. For this framework, we believe that ‘fast-regenerating’ and ‘finite’ better describe the nature of the resources, and that this approach is better suited to engage public dialogue.

Further, the terms ‘non-renewable’ and ‘renewable’ resources were not used in Column 3 for two reasons. Firstly, the classification ‘non-renewable’ and ‘renewable’ is used in the energy dataset (Column 6; see Appendix 1), and the use of the same term in different parts of the framework could be confusing. Secondly, we consider ‘finite’ or ‘fast-regenerating’ best describes the ‘nature’ of each resource.

**Column 4: Type of Ecosystem Services**

For each resource we have also included a level describing the relevant ecosystem services, so that these distinctions can be discussed further in Report 10. Ecosystem services are explained more fully in Figure 5 (p. 12).

**Column 5: Datasets**

This column lists the 11 datasets. These datasets and their indicators are summarised in Figure 10 (p. 20).

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<sup>9</sup> Stock resources regenerate more slowly than is relevant to human management and planning time horizons (e.g. hundreds of years and above). Flow resources regenerate relatively quickly within the time horizons of human resource management (e.g. months, years, decades). These notions are defined with reference to the duration needed for each process to occur.





Table 1 Summary of the Dataset Framework

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services	Dataset
Column 1	Column 2	Column 3	Column 4	Column 5
QUANTITY	TYPE I - NATURAL RESOURCES	FINITE	<ul style="list-style-type: none"> <li>Provisioning</li> <li>Regulating</li> <li>Cultural</li> </ul>	1. Land
			<ul style="list-style-type: none"> <li>Provisioning</li> <li>Cultural</li> </ul>	2. Minerals
		FINITE & FAST-REGENERATING	<ul style="list-style-type: none"> <li>Provisioning</li> </ul>	3. Energy
			<ul style="list-style-type: none"> <li>Provisioning</li> <li>Supporting</li> <li>Cultural</li> </ul>	4. Water supply
		FAST-REGENERATING	<ul style="list-style-type: none"> <li>Provisioning</li> <li>Cultural</li> </ul>	5. Fisheries & Aquaculture
		FINITE & FAST-REGENERATING	<ul style="list-style-type: none"> <li>Provisioning</li> <li>Supporting</li> <li>Regulating</li> <li>Cultural</li> </ul>	6. Biodiversity
			<ul style="list-style-type: none"> <li>Provisioning</li> <li>Regulating</li> <li>Cultural</li> </ul>	7. Forestry (natural forest)
	TYPE II - HUMAN-GENERATED RESOURCES	FINITE & FAST-REGENERATING	<ul style="list-style-type: none"> <li>Provisioning</li> <li>Regulating</li> </ul>	7. Forestry (planted forest)
			<ul style="list-style-type: none"> <li>Provisioning</li> </ul>	8. Livestock & Crops
QUALITY	TYPE III - WHOLE SYSTEM RESOURCES	FAST-REGENERATING	<ul style="list-style-type: none"> <li>Regulating</li> <li>Supporting</li> <li>Cultural</li> </ul>	9. Atmosphere
			<ul style="list-style-type: none"> <li>Regulating</li> <li>Supporting</li> <li>Cultural</li> </ul>	10. Water quality
		FINITE	<ul style="list-style-type: none"> <li>Regulating</li> <li>Supporting</li> <li>Cultural</li> </ul>	11. Soil

## 5. The Eleven Datasets

The datasets and their indicators are listed in more detail in Figure 10 below.

**Figure 10 The Eleven Datasets and their Indicators**

<i>TYPE I – Natural Resources</i>	
<b>1</b>	<b>Land</b>
1.1	Land use – general
1.2	Land cover
1.3	Land use – specific (agriculture and forestry)
<b>2</b>	<b>Minerals</b>
2.1	Production of metals (including rocks, aggregate, limestone, etc.)
2.2	Production of non-metals
<b>3</b>	<b>Energy</b>
	<b>a Non-renewable energy</b>
3a.1	Energy production
3a.2	Energy consumption
	<b>b Renewable energy</b>
3b.1	Energy production
3b.2	Energy consumption
	<b>c Electricity</b>
3c.1	Electricity generation non-renewables
3c.2	Electricity generation renewables
3c.3	Electricity consumption
<b>4</b>	<b>Water Supply</b>
4.1	Freshwater inflow volumes
4.2	Freshwater outflow volumes
4.3	Change in storage volumes
4.4	Abstraction volumes
4.5	Discharge volumes
4.6	Groundwater stock volumes
<b>5</b>	<b>Fisheries and Aquaculture</b>
5.1	Fish capture quantity
5.2	Aquaculture production quantity & trade value
5.3	Fish exports quantity & trade value
5.4	Fish imports quantity & trade value
5.5	Fish stock assessment
<b>6</b>	<b>Biodiversity</b>
6.1	Number of known native species
6.2	Number of threatened species
6.3	Land area under pest management
6.4	Protected natural areas – terrestrial
6.5	Protected natural areas – marine

<b>7</b>	<b>Forestry<sup>10</sup></b>
	<b>a Natural forest</b>
7a.1	Removals & production <sup>11</sup>
<i>TYPE II – Human-generated Resources</i>	
<b>7</b>	<b>Forestry</b>
	<b>b Planted forest</b>
7b.1	Area & standing volume
7b.2	Exotic planting
7b.3	Exotic harvesting
7b.4	Area by species
7b.5	Production & consumption
7b.6	Exports of forestry products
7b.7	Imports of forestry products
<b>8</b>	<b>Livestock and Crops</b>
	<b>a Livestock</b>
8a.1	Livestock numbers
8a.2	Meat production
8a.3	Milk production
8a.4	Exports
	<b>b Crops</b>
8b.1	Production of cereals
8b.2	Production of vegetables (outdoor)
8b.3	Production of vegetables (indoor)
8b.4	Production of fruits
8b.5	Fertiliser use
8b.6	Exports
<i>TYPE III – Whole System Resources</i>	
<b>9</b>	<b>Atmosphere</b>
9.1	Air quality
9.2	Greenhouse gas emissions & removals
9.3	Stratospheric ozone level
<b>10</b>	<b>Water quality</b>
10.1	Freshwater quality
10.2	Seawater quality
<b>11</b>	<b>Soil</b>
11.1	Soil health
11.2	Proportion of soils not meeting target range by soil health indicator
11.3	Number of identified contaminated sites by management category
11.4	Erosion-prone soil area

<sup>10</sup> Forestry is the only dataset that is split between two types of resources, natural and human-generated; see also 7b.1 to 7b.7.

<sup>11</sup> Removals refer to the quantity of wood harvested per year.

## 5.1 The Sources of the Data

The following is a brief outline of where the data is sourced from for each of the datasets.

### Dataset 1 – Land

Land statistics are collected from the Ministry for the Environment, combining data from the National Land Cover Database (LCDB2) and the Land Use and Carbon Analysis System (LUCAS) classifications (MfE, 2004; 2007: 21–23). The Ministry of Agriculture and Forestry Land Use database is also used for land use for agriculture and forestry figures (MAF, 2008a). As a result, three indicators were created reporting areas of: (i) land use – general; (ii) land cover, and (iii) land use – specific (agriculture and forestry).

### Dataset 2 – Minerals

The national entity managing minerals is the Ministry for Economic Development (MED) – Crown Minerals. The categorisation used follows the one provided in MED’s dataset (MED, 2009a), including units. Again, two indicators were created: (i) the quantities of metals, and (ii) the quantities of non-metals produced over time.

### Dataset 3 – Energy (a)–(c)

Energy statistics are collected from the Ministry for Economic Development (MED, 2009b). Following a review of the International Energy Agency documents (IEA, 2005), it was decided to create three sub-categories of resource: (a) non-renewable energy (including oil, gas and coal); (b) renewable energy, and (c) electricity. With regard to indicators, it was decided to report on: (i) production and (ii) consumption, plus a third in the case of electricity, (iii) the quantity of electricity consumed over time.

### Dataset 4 – Water Supply

With regard to water, the same indicators and units were used for both freshwater (with data sourced from MfE) and groundwater (sourced from the National Institute of Water and Atmospheric Research), both regrouped by Statistics New Zealand (Statistics NZ, 2007: 11). This dataset comprises six attributes, including: (i) freshwater inflows; (ii) freshwater outflows; (iii) change in storage; (iv) abstraction; (v) discharge, and (vi) groundwater stock.

### Dataset 5 – Fisheries and Aquaculture

Figures reporting on fish and aquaculture use the same catalogue and units as the United Nations Food and Agriculture Organisation (FAO, 2009) and Statistics New Zealand (Statistics NZ, 2008; 2009: 25). This dataset comprises five indicators, reporting on: (i) fish capture; (ii) aquaculture; (iii) exports; (iv) imports, and (v) fish stock.

### Dataset 6 – Biodiversity

Reporting on the state of New Zealand’s biodiversity is a complex exercise. To be consistent with the data available, we decided to incorporate the International Union for Conservation of Nature (IUCN) approach into that used in the Department of Conservation’s (DoC) threat classification, as reported in *Environment New Zealand 2007* (MfE, 2007: 346–403). Following this, five indicators were selected and reported on: (i) the number of known native species; (ii) the number of threatened species; (iii) the land area under pest management; (iv) terrestrial protected natural areas, and (v) marine protected natural areas.

### Dataset 7 – Forestry (a)–(b)

This dataset has a similar design to the energy dataset, in that two sub-categories of resource are necessary: (a) natural forest, and (b) planted forest. While natural forest is a natural resource and is closely related to biodiversity, planted forest is clearly a ‘human-generated’ resource. To ensure clarity in the overall structure but ensure each dataset has integrity, these two resources were combined. Further, the dataset replicates MAF’s indicators and unit structure (MAF, 2008b). Hence, (a) ‘natural forest’ comprises one indicator, i.e. wood volume harvested over time, while (b) ‘planted forest’ is classified into seven indicators: (i) area and standing volume; (ii) exotic planting; (iii) exotic harvesting; (iv) area by species; (v) production and consumption; (vi) exports of forestry products, and (vii) imports of forestry products. One could argue that over time, i.e. over a period of 50 to 100 years, planted forest, if untouched, could become natural forest. This concern brings us back to Section 4.2 when defining the nature of the resource, where again we are confronted by the notion of which timeframe we are reporting upon. See Section 2.4 for other limitations.

### Dataset 8 – Livestock & Crops

The livestock statistics use the same classification and units as MAF (2008c). As a result, four indicators were created: (i) livestock quantity; (ii) meat production; (iii) milk production, and (iv) export trade quantities over time.

As with livestock, the data for crops follow the categories and units adopted by MAF (2008d). As a result six indicators were created, reporting on the quantities of production in terms of: (i) cereals; (ii) outdoor vegetables; (iii) indoor vegetables; (iv) fruit; (v) fertiliser use, and (vi) exports.

### Dataset 9 – Atmosphere

Atmospheric quality is divided into three indicators using the same model as the MfE environmental indicators classification (MfE, 2007: 180–209). It comprises: (i) air quality; (ii) greenhouse gas emissions and removals, and (iii) the level of stratospheric ozone over time.

### Dataset 10 – Water Quality

Similarly, water quality is broken down into two indicators: (i) freshwater quality, and (ii) seawater quality, based on the MfE models (MfE, 2007: 258–345).

**Dataset 11 – Soil**

The parameters used to define the state of soil use MfE's soil health classification (Hill et al., 2003: 6–7) and Landcare Research figures compiled by Statistics New Zealand (2009: 53–56). Soil reporting includes four indicators: (i) soil health; (ii) proportions of soil not meeting target range; (iii) number of identified contaminated sites by management category, and (iv) erosion-prone soil areas.

## 6. Next Steps

We expect both the process and ongoing feedback to shape the final report; hence this is version 1 of the methodology. The Institute welcomes all feedback so as not to duplicate work by other organisations and to ensure the resulting data is accurate and useful.

With this framework in place, the datasets will become the initial building blocks of Report 10, *The State of New Zealand's Resources*. Figure 11 outlines the five stages of the process.

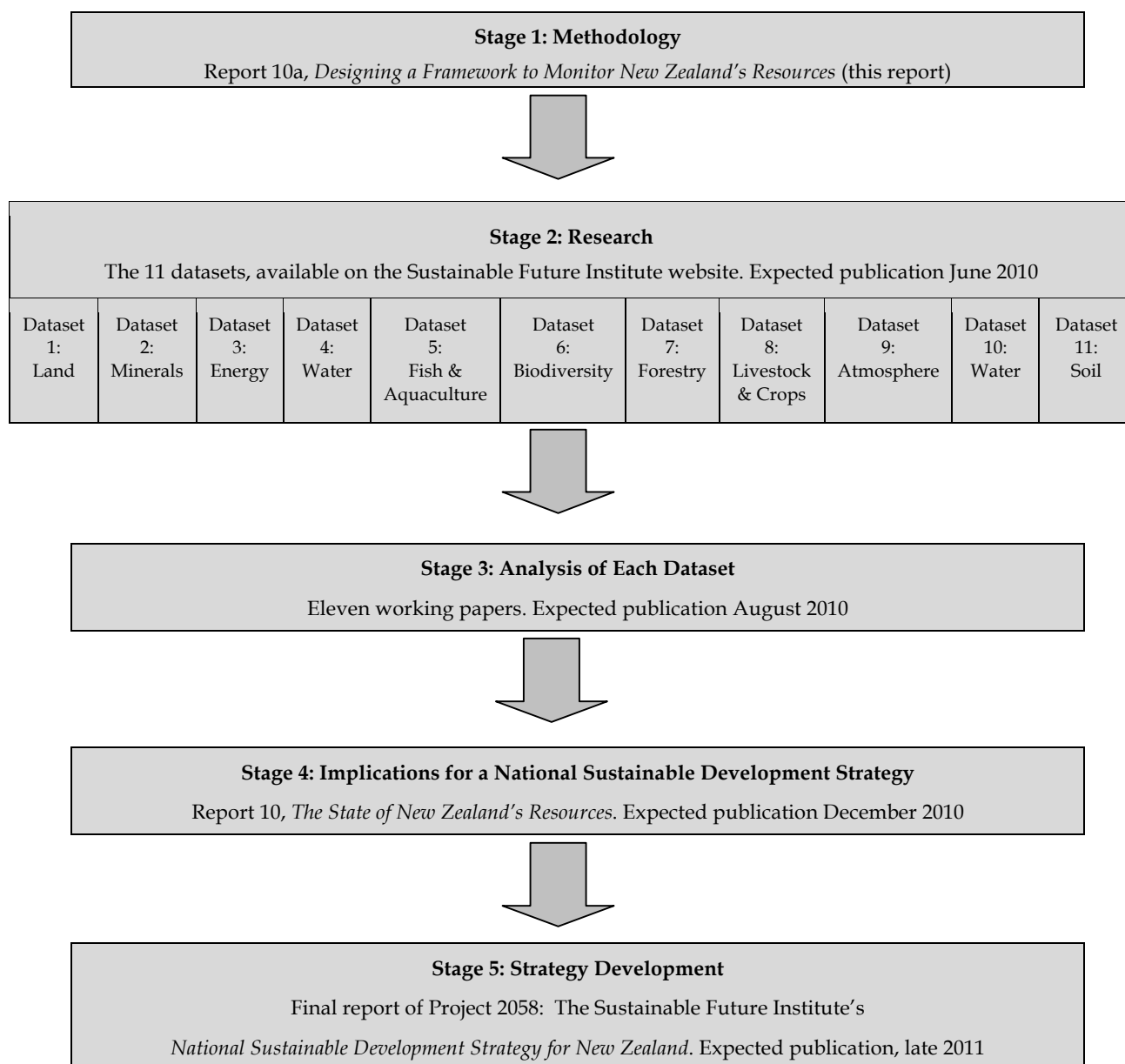
Stage 2 of the process involves publishing the 11 datasets online. The reason for making this information available as we progress through the stages is to invite feedback, so that we can optimise our findings. Simply put, if better or missing information is available, we wish to know about it. Stage 1 is an ongoing project, and as such data will continue to be updated and regularly reported on the Sustainable Future website.

Once the 11 datasets are on the website, we will prepare a working paper for each, which will use this information to analyse and draw trends over time (Stage 3). The working papers will then be used to explore the implications in terms of the development of an NSDS for New Zealand in Report 10 (Stage 4).

Finally, all the reports that are part of *Project 2058* will be revisited, reviewed and reflected upon, in order to propose a strategy for New Zealand's long-term future (Stage 5).



**Figure 11      The Five Stages**



## Abbreviations

[ ]	concentration
%EPT	percentage of three different taxa of macroinvertebrates in a river or stream (E = Ephemeroptera: mayflies, a common indicator to measure the water quality of streams and rivers; P = Plecoptera: stoneflies, and T = Trichoptera: caddisflies).
%v.v <sup>-1</sup>	percentage of void space per volume of soil
□g.cm <sup>-3</sup>	microgram per cubic centimetre
□g.m <sup>-3</sup>	microgram per cubic metre
DoC	Department of Conservation
DU	Dobson units
FAO	(United Nations) Food and Agriculture Organisation
GWh	gigawatt per hour; 1GWh = 10 <sup>9</sup> Wh
ha	hectare
IEA	International Energy Agency
IUCN	International Union for Conservation of Nature
k\$NZ	thousand \$NZ
k\$US	thousand \$US
kt	thousand tonnes
LCDB2	Land Cover Database 2
LUCAS	Land Use and Carbon Analysis System
m <sup>3</sup>	cubic metre
MA	Millennium Ecosystem Assessment
MAF	Ministry of Agriculture and Forestry
MED	Ministry for Economic Development
MfE	Ministry for the Environment
mg.cm <sup>-3</sup>	milligram per cubic centimetre
mg.L <sup>-1</sup>	milligram per litre
Mt CO <sub>2</sub> -e	megatonnes of carbon dioxide equivalent

N/A	not applicable
NIWA	National Institute of Water and Atmospheric research
NSDS	National Sustainable Development Strategy
OECD	Organisation for Economic Co-operation and Development
PCE	Parliamentary Commissioner for the Environment
PJ	petajoule; $1PJ = 10^{15} J$
RE	roundwood equivalent, a common unit used in the forestry industry, here converted using conversion factors from Statistics New Zealand
SEEA	System of integrated Environmental and Economic Accounts
SFI	Sustainable Future Institute
SNA	System of National Accounts
UNEP	United Nations Environment Programme

## Appendix 1 The Dataset Framework

This framework is designed to be read from left to right, breaking down into datasets and indicators from the initial measurement focus to the attributes, with their units.

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**	Units	
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	
QUANTITY	TYPE I – NATURAL RESOURCES	FINITE	Provisioning, Regulating, Cultural	1. Land	1.1 Land use – general	cropping and horticulture	hectares	
						high-producing grassland		
						lakes and rivers		
						low -producing grassland		
						natural forest		
						new forest land		
						forestry land planted before 1990		
						scrubland		
						settlements		
						wetland		
						other land		
					1.2 Land cover	artificial surfaces	built-in area	hectares
							urban parkland/open space	
							surface mine	
							dump	
						bare or lightly vegetated surfaces	transport infrastructure	
							coastal sand & gravel	
							river & lakeshore gravel & rock	
							landslide	
							alpine gravel & rock	
						water bodies	permanent snow & ice	
							alpine grass/herbfield	
							lake & pond	
						cropland	river	
							estuarine open w ater	
							short-rotation cropland	
						grassland	vineyard	
							orchard & other perennial crops	
							high-producing exotic grassland	
							low -producing grassland	
							tall tussock grassland	
						sedgeland saltmarsh	depleted tussock grassland	
							herbaceous freshw ater vegetation	
						scrub & shrubland	herbaceous saline vegetation	
							flaxland	
							fernland	
							gorse &/or broom	
							manuka &/or kanuka	
							matagouri	
							broadleaved indigenous	
							hardw oods	
							sub-alpine shrubland	
						forest	mixed exotic shrubland	
							grey scrub	
minor shelterbelts								
major shelterbelts								
afforestation (not imaged)								
afforestation (imaged, post LCDB 1)								
forest - harvested								
pine forest - open canopy								
pine forest - closed canopy								
1.3 Land use – specific (agriculture and forestry)	other exotic forest	hectares						
	deciduous hardw oods							
	indigenous forest							
	mangrove							
	grassland							
	tussock & danthonia used for grazing	hectares						
	grain, seed & fodder crop land							
	mature native bush							
	native scrub & regenerating native bush							
other land								
farm numbers	hectares							
		grazing, arable, fodder & fallow land						
		land in horticulture						
		planted production forest						
		other land						

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**	Units	
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	
QUANTITY	TYPE I – NATURAL RESOURCES	FINITE	Provisioning, Cultural	2. Minerals	2.1 Production of metals	gold	tonnes	
					silver			
					magnetite (ironsand)	2.2 Production of non-metals		amorphous silica
					bentonite			
					building and dimension stone			
					clay for brick, tiles			
					clay for pottery & ceramics			
					decorative pebbles including scoria			
					diatomite			
					dolomite for agriculture			
					dolomite for industry			
					limestone & marl for cement			
					limestone for agriculture			
					limestone for industry & roading			
					other			
					perlite			
					pounamu			
					pumice			
					recycled material			
					rock for reclamation & protection			
					rock, sand & gravel for building			
					rock, sand and gravel for roading			
					rock, sand, gravel & clay for fill			
					sand for industry			
					serpentine			
					silica sand			
					talc			
					zeolite			

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset		Indicator	Attribute**	Units
Col 1	Col 2	Col 3	Col 4	Col 5		Col 6	Col 7	Col 8
QUANTITY	TYPE I – NATURAL RESOURCES	FINITE	Provisioning	3. Energy	3a. Non-renewable energy	3a.1 Energy production	crude oil, condensate & naphtha	PJ kt
							LPG	PJ kt
							gas	PJ kt
							coal	PJ kt
							petrol	PJ kt
							diesel	PJ kt
							fuel oil	PJ kt
							aviation fuels	PJ kt
							other petroleum products	PJ kt
						3a.2 Energy consumption	LPG	agriculture residential commercial industrial national transport PJ
							gas	agriculture residential commercial industrial national transport PJ k\$NZ PJ k\$NZ PJ k\$NZ PJ
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								agriculture residential commercial industrial national transport PJ kt PJ kt PJ kt PJ kt PJ kt

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset		Indicator	Attribute**		Units
Col 1	Col 2	Col 3	Col 4	Col 5		Col 6	Col 7		Col 8
QUANTITY	TYPE I – NATURAL RESOURCES	FAST-REGENERATING	Provisioning	3. Energy	3b. Renewable energy	3b.1 Energy production	hydropower		PJ
							geothermal		
							solar		
							wind		
							biogas		
							wastes		
							woody biomass & animal products		
						3b.2 Energy consumption	geothermal	agriculture	PJ
								industrial	
								commercial	
								residential	
							solar	national transport	PJ
								agriculture	
								industrial	
								commercial	
								residential	
							wind	national transport	PJ
								agriculture	
								industrial	
								commercial	
								residential	
						3c. Electricity	biogas	national transport	PJ
								agriculture	
								industrial	
								commercial	
							woody biomass & animal products	residential	PJ
								national transport	
								agriculture	
								industrial	
				3. Energy	3c. Electricity	3c.1 Electricity generation non-renewables	oil		PJ GWh <sup>(d)</sup>
							coal		PJ
							gas		PJ
							wastes		PJ GWh
						3c.2 Electricity generation renewables	hydropower		PJ GWh
							geothermal		PJ GWh
							biogas		PJ GWh
							wood		PJ GWh
							wind		PJ GWh
						3c.3 Electricity consumption	per sector	residential	PJ GWh k\$NZ
								commercial	PJ GWh k\$NZ
								industrial	PJ GWh k\$NZ

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**	Units	
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	
QUANTITY	TYPE I – NATURAL RESOURCES	FINITE & FAST-REGENERATING	Provisioning, Supporting, Cultural	4. Water Supply	4.1 Freshw ater inflow volumes	precipitations	million m³	
					4.2 Freshw ater outflow volumes	evapotranspiration	million m³	
					4.3 Change in storage volumes	outflow to sea & net abstraction	million m³	
						soil moisture		
						lakes & reservoirs		
						groundw ater		
						snow		
						ice		
					4.4 Abstraction volumes	for irrigation	surface w ater groundw ater	million m³
						for hydroelectricity generation	surface w ater groundw ater	million m³
						for municipal supply & domestic use	surface w ater groundw ater	million m³
						for private industrial	surface w ater groundw ater	million m³
						for livestock use	surface w ater groundw ater	million m³
					4.5 Discharge volumes	from irrigation	surface w ater groundw ater	million m³
						from w astew ater	surface w ater groundw ater	million m³
						from hydroelectricity generation	surface w ater groundw ater	million m³
						other	surface w ater groundw ater	million m³
					4.6 Groundw ater stock volumes	unconfined aquifers	opening stock change in volume closing stock	million m³
						confined aquifers	opening stock change in volume closing stock	million m³
						total groundw ater	opening stock change in volume closing stock	million m³



Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**		Units
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7		Col 8
QUANTITY	TYPE I – NATURAL RESOURCES	FAST-REGENERATING	Provisioning, Cultural	5. Fisheries & Aquaculture	5.1 Fish capture quantity	aquatic plants	brown seaweeds	tonnes
							red seaweeds	
						crustaceans	crabs, sea-spiders	
							lobsters, spiny-rock lobsters	
							shrimps, prawns	
						diadromous fish	river eels	
							salmon, trout, smelt	
						freshwater fish	carp, barbel and other cyprinids	
							miscellaneous freshwater fishes	
						marine fish	cod, hake, haddock	
							flounder, halibut, sole	
							herrings, sardines, anchovies	
							marine fishes not identified	
							miscellaneous coastal fishes	
							miscellaneous demersal fishes	
							miscellaneous pelagic fishes	
							sharks, rays, chimaeras	
							tuna, bonito, billfish	
						miscellaneous aquatic animal products	corals	
							sponges	
						miscellaneous aquatic animals	miscellaneous aquatic invertebrates	
							sea-urchins and other echinoderms	
						molluscs	abalones, winkles, conchs	
							clams, cockles, arkshells	
							miscellaneous marine molluscs	
							mussels	
							oysters	
							scallops, pectens	
							squids, cuttlefishes, octopuses	
						whales, seals and other aquatic mammals (number)	blue-whales, fin-whales	
							sperm-whales, pilot-whales	
					5.2 Aquaculture production quantity & trade value	freshwater diadromous fish	salmon, trout, smelt	tonnes
								k\$US
						marine diadromous fish	salmon, trout, smelt	tonnes
								k\$US
						marine molluscs	abalones, winkles, conchs	tonnes
							mussels	tonnes
							oysters	tonnes
								k\$US

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**		Units
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7		Col 8
QUANTITY	TYPE I – NATURAL RESOURCES	FAST-REGENERATING	Provisioning, Cultural	5. Fisheries & Aquaculture	5.3 Fish exports quantity & trade value	crustaceans	crustaceans, frozen	tonnes k\$US
							crustaceans, not frozen	tonnes k\$US
							crustaceans, prepared or preserved	tonnes k\$US
						fish	fish fillets, frozen	tonnes k\$US
							fish meat, w hether or not minced, and fillets, fresh or chilled	tonnes \$US000
							fish meat, w hether or not minced, frozen	tonnes k\$US
							fish prepared or preserved	tonnes k\$US
							fish, dried, salted or smoked	tonnes k\$US
							fish, fresh or chilled, excluding fillets and meat	tonnes k\$US
							fish, frozen, excluding fillets and meat	tonnes k\$US
							fish, live	tonnes k\$US
						other	other products	tonnes k\$US
						molluscs & aquatic invertebrates	molluscs and other aquatic invertebrates, live, fresh or chilled	tonnes k\$US
							molluscs and other aquatic invertebrates, other than live, fresh or chilled	tonnes k\$US
							molluscs and other aquatic invertebrates, prepared or preserved	tonnes k\$US
					5.4 Fish imports quantity & trade value	crustaceans	crustaceans, frozen	tonnes k\$US
							crustaceans, not frozen	tonnes k\$US
							crustaceans, prepared or preserved	tonnes k\$US
						fish	fish fillets, frozen	tonnes k\$US
							fish meat, w hether or not minced, and fillets, fresh or chilled	tonnes k\$US
							fish meat, w hether or not minced, frozen	tonnes k\$US
							fish prepared or preserved	tonnes k\$US
							fish, dried, salted or smoked	tonnes k\$US
							fish, fresh or chilled, excluding fillets and meat	tonnes k\$US
							fish, frozen, excluding fillets and meat	tonnes k\$US
							fish, live	tonnes k\$US
						other	other products	tonnes k\$US
						molluscs & aquatic invertebrates	molluscs and other aquatic invertebrates, live, fresh or chilled	tonnes k\$US
							molluscs and other aquatic invertebrates, other than live, fresh or chilled	tonnes k\$US
							molluscs and other aquatic invertebrates, prepared or preserved	tonnes k\$US
					5.5 Fish stock assessment	proportions of assessed fish stocks by assessment category	near or above target levels	%
							probably near or above target levels	
							possibly near or above target levels	
							below target levels	

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**		Units
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7		Col 8
QUANTITY	TYPE I – NATURAL RESOURCES	FINITE & FAST-REGENERATING	Provisioning, Supporting, Regulating, Cultural	6. Biodiversity	6.1 Number of known native species	bacteria	marine	number
							land-based	
							freshwater	
						protozoa	marine	
							land-based	
							freshwater	
						chromista	marine	
							land-based	
							freshwater	
						plants	marine	
							land-based	
							freshwater	
					6.2 Number of threatened species	fungi	marine	number
							land-based	
							freshwater	
						animals	marine	
							land-based	
							freshwater	
					6.3 Land area under pest management	bats	acutely threatened	
							chronically threatened	
							at risk	
						birds	acutely threatened	
							chronically threatened	
							at risk	
						reptiles	acutely threatened	
							chronically threatened	
							at risk	
						frogs	acutely threatened	
							chronically threatened	
							at risk	
						freshwater fish	acutely threatened	
							chronically threatened	
							at risk	
						invertebrates	acutely threatened	
							chronically threatened	
							at risk	
						plants	acutely threatened	
							chronically threatened	
							at risk	
						fungi	acutely threatened	
							chronically threatened	
							at risk	
					6.3 Land area under pest management	area managed on conservation lands	rodents	hectares
							mustelids/cats	
							pest herbivores	
						land area under management of pest species	weeds	million hectares
							possums	
							possums	
							goats	
							weeds	
							deer	
							tahr	

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**		Units
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7		Col 8
QUANTITY	TYPE I – NATURAL RESOURCES	FINITE & FAST-REGENERATING	Provisioning, Supporting, Regulating, Cultural	6. Biodiversity	6.4 Protected natural areas – terrestrial	protected under National Parks Act	national parks	hectares
							specially protected areas	
							wilderness areas	
						protected under Conservation Act	conservation parks	hectares
							ecological areas	
							sanctuary areas	
							wilderness areas	
							stewardship areas	
							amenity areas	
							wildlife management areas	
							marginal strips	
						protected under Reserves Act	nature reserves	hectares
							scientific reserves	
							historic reserves	
							scenic reserves	
							local purpose reserves	
protected under Wildlife Act	wildlife refuges	hectares						
	total							
private land protected under	Conservation Act	hectares						
	Reserves Act							
	Wildlife Act							
	other legal protection							
6.5 Protected natural areas – marine	protected under Marine Reserves Act and Mammals Protection Act	marine reserves	hectares					
marine mammal sanctuaries								

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset		Indicator	Attribute**	Units
Col 1	Col 2	Col 3	Col 4	Col 5		Col 6	Col 7	Col 8
QUANTITY	TYPE I – NATURAL RESOURCES	FINITE & FAST-REGENERATING	Provisioning, Regulating, Cultural	7. Forestry	7a. Natural Forest	7a.1 Removals and production	estimated roundwood removals saw logs peeler logs small logs pulp logs export chips export logs saw n timber production	000 m³
	TYPE II – HUMAN-GENERATED RESOURCES	FINITE & FAST-REGENERATING	Provisioning, Regulating	7. Forestry	7b. Planted Forest	7b.1 Area & standing volume	total forest area	000 ha
							standing volume	000 m³
						7b.2 Exotic planting	new planting	000 ha
							restocking (replanting after harvesting)	
						7b.3 Exotic harvesting	harvesting (area clear felled)	000 ha
						7b.4 Area by species	radiata pine	
							Douglas fir	
							cypress species	
							other softwoods	
							eucalyptus species	
							other hardwoods	
						7b.5 Production & consumption	estimated roundwood removals	000 m³
							roundwood consumption	
						7b.6 Exports of forestry products	logs and woodchips	000 m³ RE
							saw n timber	000 m³ RE
							wood pulp	000 m³ RE tonnes
							paper and paperboard	000 m³ RE tonnes
							panel products	000 m³ RE
							other forestry products	000 m³ RE
							all forestry products	000 m³ RE
						7b.7 Imports of forestry products	saw n timber	000 m³ RE
							wood pulp	000 m³ RE tonnes
							paper and paperboard	000 m³ RE tonnes
							panel products	000 m³ RE
							other forestry products	000 m³ RE
							all forestry products	000 m³ RE

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset		Indicator	Attribute**	Units
Col 1	Col 2	Col 3	Col 4	Col 5		Col 6	Col 7	Col 8
QUANTITY	TYPE II – HUMAN-GENERATED RESOURCES	FINITE & FAST-REGENERATING	Provisioning	8. Livestock and crops	8a. Livestock	8a.1 Livestock number	beef calves	head
							beef cattle	
							dairy calves	
							dairy cattle	
							sheep	
							lambs	
							chickens	
							deer	
							pigs	
							goats	
						8a.2 Meat production (total weight at slaughter)	sheep	tonnes
							lambs	tonnes
							bulls	
							calves	tonnes
							cow s	
							heifers	tonnes
							goats	
							pigs	tonnes
							steers	tonnes
							deer	
							poultry	
						8a.3 Milk production	milk processed	million litres
							milkfat processed	million kg
							protein processed	
							milksolids processed	litres
							average litre per cow	
							average milkfat per cow	kg
							average kg protein per cow	
							average kg milksolids per cow	
						8a.4 Exports	live animals	k\$NZ
							beef and veal	
							lamb and mutton	
							venison	
							other meat	
							butter, AMF and cream products	
							cheese	
							w holemilk powder	
							skimmilk, buttermilk powder and infant foods	
							casein, protein products and albumins	
							other dairy products	
							wool	
							carpets and other wool products	
							hides, leather and dressed skins	
							other agricultural products	
							other food	
							miscellaneous agricultural and food products	

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset		Indicator	Attribute**	Units
Col 1	Col 2	Col 3	Col 4	Col 5		Col 6	Col 7	Col 8
QUANTITY	TYPE II - HUMAN-GENERATED RESOURCES	FINITE & FAST-REGENERATING	Provisioning	8. Livestock and Crops	8b. Crops	8b.1 Production of cereals	barley	tonnes & hectares
							w heat	
							peas field	
							oat grain	
							maize grain	
							other cereals	
						8b.2 Production of vegetables (outdoor)	asparagus	hectares
							broccoli	
							cabbage	
							carrots	
							caulflow er	
							green beans	
							kumara	
							lettuce	
							melon w ater/rock	
							onions	
							peas (fresh/processed)	
							potatoes	
							pumpkin	
							squash	
							sw eet corn	
							tomatoes	
							other	
						8b.3 Production of vegetables (indoor)	tomatoes	hectares
							capsicum/peppers	
							cucumbers	
							mushrooms	
						8b.4 Production of fruits	total kiw ifruit	hectares
							w ine grapes	hectares
							apples	
							pears	hectares
							nashi (Asian) pears	
							peaches	
							apricots	
							nectarines	
							cherries	
							plums	
							avocados	
							feijoas	
							tamarillos	
							passionfruit	
							persimmons	
							blackcurrants	
							blueberries	
							boysenberries	
							raspberries	
							straw berries	
							oranges	
							grapefruit/goldfruit	
							lemons	
							mandarins	
							tangelos	
							olives	
							nuts	
						8b.5 Fertiliser use	urea	tonnes
							diammonium phosphate (DAP)	
							ammonium sulphate	
							super-phosphate	
							lime	
							all other nitrogen-containing fertilisers	
							all other phosphatic fertilisers	
							all potassic fertilisers	
							effluent sprayed on fields	hectares
						8b.6 Exports	kiw ifruit	k\$NZ
							pipfruit	
							w ine	
							other fresh and processed fruit	
							vegetables, grains and seeds	

Measurement Focus	Type of Resource	Nature of Resource	Type of Ecosystem Services*	Dataset	Indicator	Attribute**	Units
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8
QUALITY	TYPE III – WHOLE SYSTEM RESOURCES	FAST-REGENERATING	Regulating, Supporting, Cultural	9. Atmosphere	9.1 Air quality by region	PM <sub>10</sub>	µg.m <sup>3</sup>
						nitrogen dioxide	
						carbon monoxide	
						sulphur dioxide	
						tropospheric ozone	
					9.2 Greenhouse gas emissions & removals	carbon dioxide	Mt CO <sub>2</sub> -e
						methane	
						nitrous oxide	
						sulphur hexafluorine	
						hydrofluorocarbons	
						perfluorocarbons	
						energy	Mt CO <sub>2</sub> -e
						emissions by sector	
						industrial processes	
						waste	
						agriculture	
						removals	
						total net removals	
					9.3 Stratospheric ozone level	national average yearly ozone levels	DU
			Regulating, Supporting, Cultural	10. Water Quality	10.1 Freshw ater quality	nitrogen trends	mg.L-1
						dissolved reactive phosphorous trends	
						ammoniacal nitrogen	
						<i>E. coli</i> [ ]	
						visual clarity	
						water temperature	Celsius degree
						dissolved oxygen	mg.L-1
						MCI	MCI
						macroinvertebrate richness	%EPT
						total nitrogen	mg.L-1
					lake w ater quality trends	total phosphorous	
						visual clarity	
						algal biomass	
					groundw ater quality trends	nitrate trends	mg.L-1
						<i>E. coli</i> [ ]	[ ]/100mL
					recreational w ater quality trends	proportion of complying samples ( <i>E. Coli</i> [ ]) per sites	number of site
						proportion of complying samples ( <i>enterococci</i> [ ]) per sites	number of site
			FINITE	11. Soil	11.1 Soil health	total carbon content	mg.cm <sup>3</sup>
						total nitrogen content	
						pH in w ater	N/A
						Olsen phosphate	µg.cm <sup>3</sup>
						mineralisable nitrogen	
						macroporosity	%v.v <sup>-1</sup>
					11.2 Proportions of soils not meeting target range by soil health indicator	acidity	%
						organic resources	
						fertility	
						physical composition	
					11.3 Number of identified contaminated sites by management category	cleaned sites	number of sites
						actively managed sites	
						not cleaned or actively managed	
					11.4 Erosion-prone soil area	North Island	ha
						South Island	
						total	

\* MA Ecosystem Services: Provisioning, Regulating and Supporting

\*\* Refer to the relevant worksheet for more details



## Appendix 2 The Ecosystem Services Definition

Source: MA, 2005b: 40

Ecosystem services are the benefits people obtain from ecosystems. These include provisioning, regulating, and cultural services that directly affect people and the supporting services needed to maintain other services (CF2). Many of the services listed here are highly interlinked. (Primary production, photosynthesis, nutrient cycling, and water cycling, for example, all involve different aspects of the same biological processes.)

### Provisioning Services

These are the products obtained from ecosystems, including:

*Food.* This includes the vast range of food products derived from plants, animals, and microbes.

*Fibre.* Materials included here are wood, jute, cotton, hemp, silk, and wool.

*Fuel.* Wood, dung, and other biological materials serve as sources of energy.

*Genetic resources.* This includes the genes and genetic information used for animal and plant breeding and biotechnology.

*Biochemicals, natural medicines, and pharmaceuticals.* Many medicines, biocides, food additives such as alginates, and biological materials are derived from ecosystems.

*Ornamental resources.* Animal and plant products, such as skins, shells, and flowers, are used as ornaments, and whole plants are used for landscaping and ornaments.

*Fresh water.* People obtain fresh water from ecosystems and thus the supply of fresh water can be considered a provisioning service. Fresh water in rivers is also a source of energy. Because water is required for other life to exist, however, it could also be considered a supporting service.

### Regulating Services

These are the benefits obtained from the regulation of ecosystem processes, including: Air quality regulation. Ecosystems both contribute chemicals to and extract chemicals from the atmosphere, influencing many aspects of air quality.

*Climate regulation.* Ecosystems influence climate both locally and globally. At a local scale, for example, changes in land cover can affect both temperature and precipitation. At the global scale, ecosystems play an important role in climate by either sequestering or emitting greenhouse gases.

*Water regulation.* The timing and magnitude of runoff, flooding, and aquifer recharge can be strongly influenced by changes in land cover, including, in particular, alterations that change the water storage potential of the system, such as the conversion of wetlands or the replacement of forests with croplands or croplands with urban areas.

*Erosion regulation.* Vegetative cover plays an important role in soil retention and the prevention of landslides.

*Water purification and waste treatment.* Ecosystems can be a source of impurities (for instance, in fresh water) but also can help filter out and decompose organic wastes introduced into inland waters and coastal and marine ecosystems and can assimilate and detoxify compounds through soil and subsoil processes.

*Disease regulation.* Changes in ecosystems can directly change the abundance of human pathogens, such as cholera, and can alter the abundance of disease vectors, such as mosquitoes.

*Pest regulation.* Ecosystem changes affect the prevalence of crop and livestock pests and diseases.

*Pollination.* Ecosystem changes affect the distribution, abundance, and effectiveness of pollinators.

*Natural hazard regulation.* The presence of coastal ecosystems such as mangroves and coral reefs can reduce the damage caused by hurricanes or large waves.

### Cultural Services

These are the nonmaterial benefits people obtain from ecosystems through spiritual enrichment, cognitive development, reflection, recreation, and aesthetic experiences, including:

*Cultural diversity.* The diversity of ecosystems is one factor influencing the diversity of cultures.

*Spiritual and religious values.* Many religions attach spiritual and religious values to ecosystems or their components.

*Knowledge systems* (traditional and formal). Ecosystems influence the types of knowledge systems developed by different cultures.

*Educational values.* Ecosystems and their components and processes provide the basis for both formal and informal education in many societies.

*Inspiration.* Ecosystems provide a rich source of inspiration for art, folklore, national symbols, architecture, and advertising.

*Aesthetic values.* Many people find beauty or aesthetic value in various aspects of ecosystems, as reflected in the support for parks, scenic drives, and the selection of housing locations.

*Social relations.* Ecosystems influence the types of social relations that are established in particular cultures. Fishing societies, for example, differ in many respects in their social relations from nomadic herding or agricultural societies.

*Sense of place.* Many people value the “sense of place” that is associated with recognized features of their environment, including aspects of the ecosystem.

*Cultural heritage values.* Many societies place high value on the maintenance of either historically important landscapes (“cultural landscapes”) or culturally significant species.

*Recreation and ecotourism.* People often choose where to spend their leisure time based in part on the characteristics of the natural or cultivated landscapes in a particular area.

### Supporting Services

Supporting services are those that are necessary for the production of all other ecosystem services. They differ from provisioning, regulating, and cultural services in that their impacts on people are often indirect or occur over a very long time, whereas changes in the other categories have relatively direct and short-term impacts on people. (Some services, like erosion regulation, can be categorized as both a supporting and a regulating service, depending on the time scale and immediacy of their impact on people.)

These services include:

*Soil Formation.* Because many provisioning services depend on soil fertility, the rate of soil formation influences human well-being in many ways.

*Photosynthesis.* Photosynthesis produces oxygen necessary for most living organisms.

*Primary production.* The assimilation or accumulation of energy and nutrients by organisms.

*Nutrient cycling.* Approximately 20 nutrients essential for life, including nitrogen and phosphorus, cycle through ecosystems and are maintained at different concentrations in different parts of ecosystems.

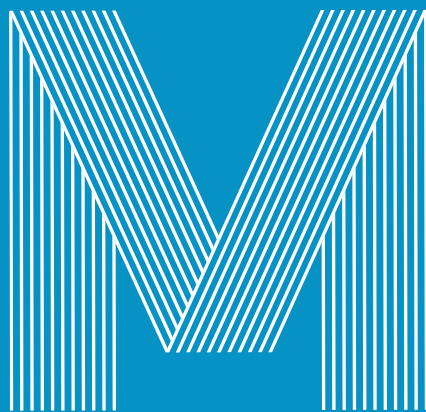
*Water cycling.* Water cycles through ecosystems and is essential for living organisms.

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