

# Measuring Up: Environmental Reporting

## Discussion document submission

Parliamentary Commissioner for the Environment

29 September 2011

*"Measuring and assessing the state of our environment is no easy task...our perspective on what should be measured changes as our understanding of the environment grows. The challenge for any country to achieve quality reporting on the state of its environment should not be underestimated."*

*(Parliamentary Commissioner for the Environment, *How clean is New Zealand? Measuring and reporting on the health of our environment*)*



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

## Introduction

The discussion document contains two proposals. The first is that the Parliamentary Commissioner for the Environment be required to prepare a report on the State of the Environment at a national level every five years. The second is that changes be made to the Resource Management Act to enable the collection of nationally consistent environmental statistics from local authorities. This submission is focused primarily on the first proposal.

An Environmental Reporting Act requiring a regular report on the state of the country's environment is very welcome and indeed overdue since "*clean green*" New Zealand is alone in the OECD without a statutory requirement for such a report.

Two State of the Environment reports have been produced in New Zealand by the Ministry for the Environment – one in 1997 and one in 2007. Both were prepared in some haste with the authors forced to rely on whatever data was available. There were criticisms of a lack of independence especially of the 2007 report, at least partly due to the withholding of the final chapter.

In April 2010 the Commissioner released a report *How clean is New Zealand? Measuring and reporting on the health of our environment* recommending a formal system for environment reporting be established in New Zealand.

The report focused on what needed to be taken into account to improve national State of the Environment reporting. The main conclusion was that trustworthy environmental reporting will require independence, technical capacity and accountability.

Three recommendations were made on improving environmental data and the system for environmental reporting. These were that reporting should be done on a regular basis, that environmental indicators should be regularly reviewed, and that there is a need for independence in who does the reporting.

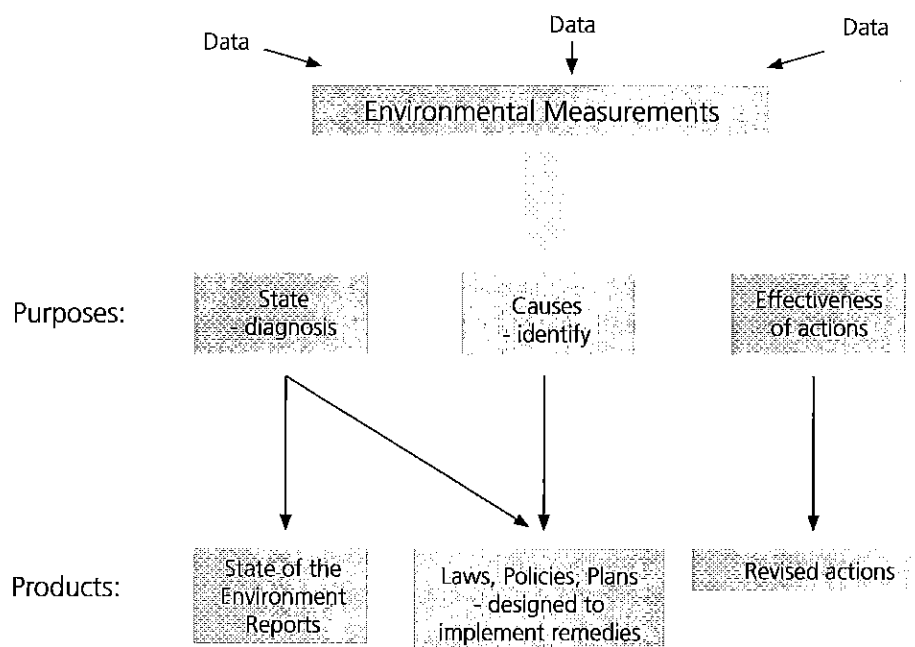
The Government's discussion document *Measuring up: Environmental reporting* is a significant development towards progressing these recommendations. It would provide New Zealand with more international credibility and would be a positive response to the criticisms the OECD has made of our lack of environmental reporting.

## What is State of the Environment reporting?

It is important to be clear about what State of the Environment reporting is and what it is not.

There are three main purposes for the collection of environmental data, as shown in the figure below, namely:

- Understanding the State of the Environment in order to assess the importance and urgency of different environmental problems.
- Identifying the causes of environmental changes in order to develop actions - policies, plans, legislation - to address environmental problems.
- Evaluating the effectiveness of these actions in order to see if they need changing in some way.



A State of the Environment report is thus one use of environmental data. It must be distinguished from the collection of data and from the other purposes for which environmental data is, or should be, used.

## **Proposals on environmental data**

In the discussion paper the first proposal is that the Parliamentary Commissioner for the Environment (PCE) takes on the role of State of the Environment reporting at a national level. The role of data collection will remain with local authorities, central government agencies, Crown Research Institutes, and so on. The second proposal in the discussion paper would potentially affect the collection of data since it would allow the Minister to require local authorities to collect and supply standardised environmental data.

### **The PCE and data collection**

The first State of the Environment report produced by the Commissioner will necessarily draw upon existing data. Under section 19 of the Environment Act, the Commissioner has the power to obtain existing information, but cannot require the collection of new information or the design of new monitoring systems.

However, a State of the Environment report prepared by the Commissioner may well contain commentary on gaps and other inadequacies in available data, and recommendations for improvements. Such recommendations could include some for ceasing to collect certain data as it does not add value, as well as some for collecting new data, but they will only be recommendations. The Commissioner should not, and does not want to, impose costs on councils.

In order to report independently, the Commissioner must not only be free to choose the data sets to use, but also be free to choose which indicators are best for diagnosing the state of different domains of the environment.

### **Proposal for Government data collection powers**

While the power to require improvements in data collection sought under the second proposal may contribute to State of the Environment reporting in the future, a more immediate purpose is described in the discussion document - supporting the development of environmental policy.

It should not be assumed that data that is useful for State of the Environment reporting is necessarily the same as data that is useful for policy development.

The Ministry currently has a substantial project on its work programme relating to the monitoring and reporting of freshwater, with implementation of changes potentially from July 2012. There is a question as to how fast this should be progressed when the function of who is to undertake State of the Environment reporting is under active discussion. Certainly, if the intent is that the proposed monitoring could contribute to State of the Environment reporting then the Commissioner (should she gain the function) may wish to provide advice on her preferences for standardised freshwater data. This project includes work on the development of indicators and it is not clear how such indicators would be used by the Ministry in developing policy.

## The PCE and State of the Environment reporting

*"If Parliament determines that the Commissioner is to gain this function, and I find myself preparing the first independent state of the environment report, I will endeavour to bring to it the same rigour and commitment that I strive for in all my work."*

(Commissioner's Introduction in Parliamentary Commissioner for the Environment, Annual Report 2010/11).

The Government proposes to set up a system for environmental reporting that is consistent with its view of the roles of the central government environmental agencies. The Ministry for the Environment is responsible for policy, the Environmental Protection Authority for operations, and the Parliamentary Commissioner for the Environment is the overseer and auditor of environmental systems.

The function of environment reporting is consistent with the Commissioner's role as an environmental overseer and auditor. While the word 'auditor' does not specifically appear in the Environment Act, this was clearly Parliament's intent when legislation establishing the role was passed in 1986. The auditing role is currently reflected in the Commissioner's functions of reviewing the environmental *"system of agencies and processes"*, investigating *"the effectiveness of environmental planning and management"*, and investigating any matter where *"the environment may be or has been adversely affected"*. A new function of reporting on the State of the Environment reporting would strengthen this auditing role.

Reporting on the State of the Environment would also be consistent with the Commissioner's function of undertaking and encouraging *"the collection and dissemination of information relating to the environment"*.

### **Effects on the Commissioner's work**

While an environmental reporting function would complement and be consistent with the Commissioner's role, it is important that it would not inadvertently undermine her existing functions and powers.

The preparation of a State of the Environment report should not supplant other reports and advice. Nor should it restrict the way in which the Commissioner undertakes investigations and provides advice. The Environment Act has been carefully drafted so as to not direct or limit the independence of the Commissioner.

#### *1. Appropriation*

The PCE's current appropriation for Reports and Advice is only \$2.34 million and, with little or no change in resourcing, a task as big as environment reporting has the potential to crowd out most other work.

Within the office, some reprioritisation of expenditure occurred in the 2010/11 year in order to free resources for the collection of some preliminary information and some initial thinking about State of the Environment reporting. But it would be inappropriate to take this further ahead of legislation.

Vote Parliamentary Commissioner for the Environment has only one output class: Reports and Advice. A State of the Environment reporting function would sit logically within that output class.

#### *2. Environmental domains*

The proposal in the discussion document to specify which environmental domains the Commissioner must report on is an operational direction that is contrary to the wide intent currently contained within the Environment Act.

It would be extraordinary if a Commissioner did not report on the domains noted in the discussion document – fresh water, land, ocean, air, and biodiversity – but specifying particular domains is neither necessary nor consistent with the Environment Act. It is however appropriate to confine what is meant by environment, since the word can be interpreted very broadly. This could be done by specifying that the Commissioner report on the 'biophysical' environment.

#### *3. Timeliness*

It is envisaged in the discussion document that a State of the Environment report would be produced every 5 years from 2013. This is a credible timeframe, although it will require empowering legislation to proceed promptly to allow sufficient time to prepare the first report in 2013.

## Conclusion

Around the world many countries continue to grapple with the concept of effectively measuring the health of their environment. Independent State of the Environment reporting is vital to allow informed decision making. Without this, good decisions that affect not only the environment, but also the economy and wider society, cannot be made.

A legislative directive for regular State of the Environment reporting at the national level would bring New Zealand into line with the rest of the OECD. A measure of independence, clear accountability for the function through statute, and technical capacity to do the job would all be required. These characteristics are consistent with the role of the Commissioner as currently defined in legislation and as systems auditor.

There are some questions for the future. These are on the effect a new function would have on current operations, the need for adequate resourcing, and a degree of urgency on timing if a report is to be published by 2013. There is a question as to what extent the proposed amendment to the RMA allowing the Minister to require standardised data be gathered would be linked with a new PCE function as the choice of data and indicators must be at the discretion of the Commissioner. Another question is whether the work currently being undertaken by MfE on monitoring and reporting should continue in its current form in the light of this discussion document.