THE CATALYST GROUP

14 March 2020

Submissions Team
Proposed National Policy Statement for Indigenous Biodiversity
Ministry for the Environment

WELLINGTON

Tēnā koutou

SUBMISSION ON THE PROPOSED NATIONAL POLICY STATEMENT FOR INDIGENOUS BIODIVERSITY (PROPOSED NPSIB)

1. The Catalyst Group would like to preface our submission by acknowledging the critical necessity of a National Policy Statement for Indigenous Biodiversity (NPSIB). We believe that the management of indigenous biodiversity under the RMA has long been lacking the emphasis it deserves. National direction is well overdue. It is our view that a well-crafted NPS has the potential to better recognise and provide for New Zealand’s species, habitats, and ecosystems.

2. We would also like to emphasise our support in principal for the government to continue to pursue the publication of an NPSIB beyond the submission period, and we would be extremely disappointed to see it being dropped similarly to the previous two attempts. All of the team at The Catalyst Group have spent our entire careers working in the environmental space providing advice to central government agencies, local government and several private foundations and institutions as well as iwi and individual landowners. In addition, all of our team devote many voluntary hours (private and professionally) to this purpose also. We are all active members across a range of community groups, and several of us hold key leadership roles in national professional societies relevant to biodiversity management. Our submission aims to highlight areas within the Proposed NPSIB that we consider to be of particular concern and warrant revision. It is most certainly not to suggest we should not have an NPSIB. However, a weak and confusing NPSIB has the very real potential to entrench the decline of indigenous biodiversity.

3. The Catalyst Group has reflected on the Proposed NPSIB through the lens of our collective experience and expertise in biodiversity and conservation science, policy, planning, and implementation; and in particular in the context of resource management and conservation tensions on private land; and against the backdrop of the current state and trend of indigenous biodiversity. In this submission, we have set out our broad level comments and provide further detail on a few specific matters. Our comments herein should be read in conjunction with our response to the web-based form questions.
Purpose and structure

4. The Proposed NPS has grown out of the collaborative process where seeking agreement between differing opinions has occurred at the expense of sound policy-development principles. This devolution of governmental responsibilities associated with policy making to a group primarily comprising representatives of industry sectors and environmental groups, who then must ensure the Proposed NPSIB adequately provides for the maintenance of biodiversity while at the same time reconciling incompatible interests, has compromised the potential of a NPSIB to improve biodiversity outcomes for New Zealand. We fully agree that communities play a critical role in biodiversity management and conservation programmes. Likewise, those that benefit from development and resource use are key stakeholders of policy that effects that use and development. They should not, however, be the architects of the policy. It is the role of public policy to ensure that outcomes sought are focused on the principal concern – in this case, halting the ongoing decline of our indigenous species, habitats and ecosystems.

5. It is our view that this collaborative foundational process has led to a Proposed NPSIB that fails to fulfil the potential and role of an NPS, emphasises the means over ends, is unduly complicated by unnecessary replication of the RMA\footnote{For example, proposed Policy 10 is unnecessary (within an NPS) as it effectively provides for the status-quo and this is already achieved through sections 10, 10A and 20A of the RMA. This point also applies to proposed Implementation Method 3.12(2) as it will provide for circumvention of subsequent clauses in 3.12.} and multiple exclusions and policy ‘outs’, and is poorly worded creating internal inconsistency and contradictions\footnote{For example, Objective 1 appears to be contradictory to other parts of the Proposed NPSIB. Objective 1 follows on from the fundamental concept 3 (maintenance of indigenous biodiversity), which requires ‘at least no reduction’ of the six individual matters identified in that clause. It remains unclear at what scale this maintenance is to occur. This uncertainty also appears to be contradictory to implementation methods 3.9 (managing adverse effects on SNAs) or 3.12 (existing activities within SNAs). This point is prudent at implementation method 3.12(2) which provides for existing activities within SNAs and 3.12(3) which manages effects on those environments. When considering implementation method 3.12(3) against fundamental concept 3 it is difficult to predict how these clauses will be achieved by any activity that adversely effects indigenous biodiversity (that is, the effects will not cease and therefore will not maintain indigenous biodiversity). Allowing for the maintenance of pasture in SNAs (proposed Implementation Method 3.12) is contrary to objective 5 which requires that ecosystem integrity is restored.}. Critically, the Proposed NPSIB muddles objectives with policies. To our reading, and based on our experience in the development of resource management and district plans, local government will continue to struggle to interpret their statutory requirement and translate this into planning documents, consent decision-making, and compliance monitoring and enforcement processes. The role of an NPS this far into the history of the RMA (three decades) is to provide for an improvement or change in the management of natural and physical resources.

6. The stated purpose of the Proposed NPSIB at 1.3 serves little purpose by simply replicating the RMA. In the context of the NPSIB it is therefore redundant.

7. The Proposed NPSIB lacks a coherent, overarching statement on the importance of indigenous biodiversity as a matter of national importance, and to our sustained wellbeing, and then works to dilute\footnotemark[3] or ignore\footnotemark[4] key matters set out in Part 2 of the RMA.

\footnotetext[1]{For example, proposed Policy 10 is unnecessary (within an NPS) as it effectively provides for the status-quo and this is already achieved through sections 10, 10A and 20A of the RMA. This point also applies to proposed Implementation Method 3.12(2) as it will provide for circumvention of subsequent clauses in 3.12.}

\footnotetext[2]{For example, Objective 1 appears to be contradictory to other parts of the Proposed NPSIB. Objective 1 follows on from the fundamental concept 3 (maintenance of indigenous biodiversity), which requires ‘at least no reduction’ of the six individual matters identified in that clause. It remains unclear at what scale this maintenance is to occur. This uncertainty also appears to be contradictory to implementation methods 3.9 (managing adverse effects on SNAs) or 3.12 (existing activities within SNAs). This point is prudent at implementation method 3.12(2) which provides for existing activities within SNAs and 3.12(3) which manages effects on those environments. When considering implementation method 3.12(3) against fundamental concept 3 it is difficult to predict how these clauses will be achieved by any activity that adversely effects indigenous biodiversity (that is, the effects will not cease and therefore will not maintain indigenous biodiversity). Allowing for the maintenance of pasture in SNAs (proposed Implementation Method 3.12) is contrary to objective 5 which requires that ecosystem integrity is restored.}

\footnotetext[3]{Section 6(c) of the RMA should be replicated as an objective, similar to that of Objective 3. The wording only comes through at Policy 6 (in Section 2.2).}

\footnotetext[4]{The Proposed NPSIB fails to direct or require persons to have particular regard to the intrinsic values of ecosystems, a matter under section 7 of the RMA.
Partnerships and collaboration

8. It is our view that there is an over-reliance upon partnerships and collaboration for implementing the Proposed NPSIB the success of which is not supported by evidence.

9. We support the active involvement of individuals, committees, and environmental organisations to engage with and care for biodiversity and special places. However, the evidence is clear that these efforts alone cannot address the current biodiversity and climate change crisis. It needs strong policy including a regulatory framework, courageous leadership, and a commitment to accountability in respect of biodiversity outcomes via monitoring, compliance, and enforcement. Decision-makers are now working in a context of scarce resources and systems operating near to or past environmental limits. We are well passed the ability to resolve the crisis using community consensus to drive decision-making. In the recent past, we can see failure of this approach with respect to freshwater where such an approach has delayed fundamental decision-making and implementation of necessary action leading to, in places, irreversible degradation of the natural resource.

Heavy reliance on territorial local authorities

10. The Proposed NPSIB relies heavily on sustaining a high-level of devolution of responsibility to territorial authorities. It is our experience that territorial authorities are often poorly resourced, ill-positioned and unwilling to meet their statutory obligations in this regard. District councils know their communities well but are considerably less well versed in regional or national-scale issues. They often lack the land management and compliance teams and also frequently hold little or no science support. The position arrived at by the Proposed NPSIB appears to have been reached regardless of the overwhelming evidence of the failure of this approach over the last three decades; and in the absence of a substantial influx in resourcing and restructure of council services to overcome the known impediments that have prevented the majority of TLAs delivering on the statutory requirements of the RMA to date.

11. While we acknowledge that a few, well-resourced and relatively populous territorial authorities have successful biodiversity policy and programmes; it is our view, which is supported by experience and evidence, that regional councils are a more logical home for the full suite of biodiversity policies, and their delivery and implementation.

12. The split of responsibility and accountability for the management and protection of indigenous biodiversity on private land across both territorial authorities and regional councils as proposed is unlikely to resolve existing confusion regarding roles and responsibilities and accountability for continued poor performance. In addition, we note that existing overlaps in roles and responsibilities have in effect manifested as gaps, and we can only conclude that doing things the same way will result in the same outcome.

Identifying significant natural areas

13. We agree that it is helpful for the NPSIB to provide greater direction and consistency for the protection of SNAs. The provision of criteria by which to assess significance will be useful to ensure consistency at a national scale and improve on current practice for many councils. However, we have several intertwined concerns which we detail below.
14. Our primary concern is that the proposed policy both places the responsibility of identifying SNAs with territorial authorities, and relies on mapping at a site-scale. It is our view this is a highly retrograde approach that will jeopardise the potential for the NPSIB to drive improved outcomes for indigenous biodiversity. The proposed policies relating to SNAs appear to have been developed in the absence of any substantial evaluation of current practice and against the context of continued habitat loss on private land. It is our view that the Section 32 report is wanting in this area.

15. The majority of territorial authorities demonstrably lack the capacity to meaningfully deliver on this responsibility. The Proposed NPSIB continues to place a burden on them that has been proven undeliverable over the lifetime of the Act, and without concurrent resourcing to increase capacity and capability and restructuring of services within territorial authorities.

16. We maintain the position that identifying SNAs is important, but mapping them at the site-level is unnecessary for policy purposes. Relying on site-level mapping fails to acknowledge the advancement of methods and technologies that are adequate for plan development and accurate enough to build policy around and provide adequate certainty of consenting requirements. Experience shows us that relying on in-field survey to map SNAs to the site-level is hugely onerous on councils, consuming large quantities of time and money, and will remain open to litigation at the plan making stage.

17. We support the inclusion of criteria to assess significance, and agree with the proposed categories. However, the assessment of significance should be a binary process – a site is either ecologically significant or it is not. Thus, the criteria by which to assess significance must be absolute and avoid ambiguity or subjectivity. However, the proposed attributes listed in Appendix 2 introduce an element of subjectivity and several of those attributes are ecologically nonsensical. Appendix 2 also mixes the first step of determining significance, with the second step of describing and assessing specific values. We agree that sites comprise different values and some sites, species, or habitats have greater values than others or are of greater conservation priority and therefore, the consequences of adverse effects of impacts can also differ between SNAs. Thus, the wider, more comprehensive assessment of values is a critical contribution to the decision-making process (e.g., via an ecological assessment of effects as a component of the wider AEE process). It is not necessary to have conducted this step to develop policies for the management and protection of SNAs. The logical time to undertake this assessment is not within the policies, but at the time of application for resource consent. This also ensures the cost of undertaking such assessments are borne by those wishing to extract and benefit from resources and not by the wider community.

18. Robust information and data are essential for quality policy development and decision-making. However, requiring site-level mapping and values assessment at the plan development stage where that level of information is not yet available is demonstrably resource-heavy and imperfect. The proposed policy heavily emphasises a method, rather than focussing on an outcome. This will only serve to further delay improved indigenous biodiversity outcomes.

19. We do not agree that SNAs should be differentiated by rank, but rather SNAs should equally be subject to application of the effects management hierarchy with a clear emphasis on policies that 'avoid' significant adverse effects within SNAs. Policies can further differentiate based on known values (e.g., recognition of particular values that must be avoided as effects cannot be mitigated or offset, such as naturally rare habitats).
Appendix 3: Principles for biodiversity offsetting

20. We consider that Appendix 3 is mostly reflective of an appropriate framework for biodiversity offsetting. However, the preamble requires rewording. It would be more appropriate to express the principles as describing the considerations and standards expected of an offset proposal and which should be adhered to when designing and applying an offset. We also suggest a reference to the available biodiversity offsetting guidance documents would be useful here to further assist interpretation of the principles.

21. 1. Adherence to mitigation hierarchy – We support this principle although the last sentence requires editing to read: ‘...have been demonstrated to have been sequentially exhausted and thus applies only to residual adverse impacts on indigenous biodiversity impacts.’

22. 2. Limits to offsetting – We support this principle. However the meaning of the last portion of the last sentence is unclear. Transparent documentation is critical for all stages of offset design and evaluation.

23. 3. No net loss and preferably a net gain – We support this principle, and in particular the preference for a net gain. However, we do not support the use of ‘overall’ within this principle as it introduces ambiguity, suggests there can be some ‘overs and unders’ and undermines this principle. At the project level there may be some offset actions that achieve no net loss (NNL) or net gain (NG) outcomes for the target biodiversity elements and some compensation actions which fall short of a NNL outcome for other target biodiversity elements such as that at a project level (combined with actions to avoid, remedy or mitigate) the effects management package is considered acceptable ‘overall’. However, it must remain transparent which elements of biodiversity have been offset to a NNL or NG outcome and which have not, and claims of NNL or NG should not be made for those elements it has not been demonstrated for.

We also note that demonstrating no net loss or net gain requires explicit statements describing the elements of biodiversity for which a NNL or NG is sought, the assumed background trajectory against which the outcome (NNL or NG) is evaluated, and the time horizon within which this outcome is to be achieved.

24. 4. Additionality – we support this principle. However, we note that the reference to displacing activities is confusing in the consideration of additionality. The issue of ‘leakage’ would be better addressed in a stand-alone principle.

25. 5. Like for like – it is unclear how this principle as presented relates to Principle 3 (NNL and preferably a NG) or Principle 9 (Trading up). We suggest that a more appropriate principle would be that of ‘ecological equivalence’ as described in the Biodiversity offsetting under the Resource Management Act document (2018).

26. 8. Time lags – We support having a specified time horizon within which to evaluate the adequacy of a biodiversity offset proposal. However, we note that time is an important component of evaluating ecological equivalence and time lag needs to also sit within loss and gain calculations.

27. 9. Trading up – Under the current wording of the preamble to Appendix 3, trading up is compelled in order for an action to qualify as a biodiversity offset. This is nonsensical, and we suggest that instead consideration of trading up is captured within evaluation of ecological equivalency. We do support having clearly stated exchange rules for trading up.
28. **Offsets in advance** – We consider it is premature to compel offsets in advance for actions to qualify as an offset, or to consider it an underpinning principle that must be adhered with. Particularly when we currently do not have the institutional arrangements necessary to manage a biodiversity bank. However, we strongly support a principle that would need to be adhered to should offsets be offered in advance, and equally support clear direction on best practice and critical aspects for success of providing offsets in advance. This further guidance on providing offset (or compensation) in advance well may be better homed in supporting documentation outside of the principles.

29. **Proposing a biodiversity offset** – There is a number of key components of an offset design and implementation that must be documented, not just an offset management plan. Further direction for this documentation requirement is better placed within the principle of transparency. Taking only the management plan, it would be useful is to stipulate what a biodiversity offset management plan must include, including provisions for monitoring, reporting, and adaptive management and prescription for capturing the plan (and other key documentation) within resource consent conditions. Similar clarity around other steps in the offset design and implementation that should be transparently documented would be equally useful.

30. We support the remaining biodiversity offsetting principles not commented on in the preceding paragraphs (Principles 6, 7, 12, 13, & 14).

**Definition of ecosystem services**

31. The Catalyst Group is encouraged to see the recognition of the importance of nature to people, and the contribution of biodiversity and ecosystem processes to the provision of ecosystem services. Enhancing our natural capital is critical to our wellbeing and survival, including in terms of providing water and food security. The definition of ecosystem services in the Proposed NPSIB reflects that within The Millennium Ecosystem Assessment (MEA). The MEA was pivotal to bringing the value of biodiversity to human wellbeing to the fore and was a landmark publication in changing policy focus globally. While the MEA marked a groundswell in research and policy targeted at ecosystem services, 15 years has since passed and our understanding has evolved. The definition of ‘ecosystem services’ in proposed section 1.8 (Definitions) conflates ecosystem services and ecosystem processes, in that the definition includes a category of ‘supporting services’ which are in fact ecological processes (e.g. nutrient cycling, soil formation) that contribute to the provision of ecosystem services. The importance of this difference is increasing being recognised within the ecosystem services discipline.

32. Differentiating between ecological processes and functions and ecosystem services is important in the context of biodiversity management and conservation as we need to know what and where we are managing, how, and for what purpose. We can manage specific attributes of natural capital stocks, but we cannot directly manage processes or services, and not reflecting an understanding of this risks recognising the provision of ecosystem services within plans and policies in words only and not in actions. We make this observation because local government will replicate definitions provided in an NPS but the development of implementable policies required to manage biodiversity for the purposes of sustaining the provision of ecosystem services remains a challenge for many councils.
Conclusion

33. The team at The Catalyst Group strongly support the need for a NPSIB. It is long overdue, and needs to champion the maintenance and protection of biodiversity in way that the Proposed NPSIB does not currently. The value in a clear, unambiguous statement that drives well-defined outcomes cannot be understated. We know that this is a challenge both politically and technically. The Catalyst Group is happy to meet with officials of the agencies charged with the delivery of the NPSIB to clarify our submission and engage on key matters in contention.

34. On behalf of The Catalyst Group, ngā mihi

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