SUBMISSION TO
MINISTRY OF ENVIRONMENT ON
ACTION ON AGRICULTURE EMISSIONS

This submission is filed for Waikato-Tainui by:

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WAIKATO-TAINUI SUBMISSION TO MFE-ACTION ON AGRICULTURAL EMISSIONS

a) Te Whakakitenga o Waikato Incorporated (Te Whakakitenga) makes this submission to the on behalf of the Waikato-Tainui iwi and its various entities that represent and work for our iwi.

b) Te Whakakitenga make this submission outlining our position with regards to the action on Agriculture Emissions.

c) Te Whakakitenga’s submission for Waikato-Tainui comprises the following parts:

   Part 1 provides a summary of Waikato-Tainui’s key submission points including:
   i. Proposal 1: Farm Level or processor-level price of biogenic methane
      a. Inclusion of agricultural emissions into the NZ ETS
      b. Recognition of under developed Maaori lands
   ii. Proposal 2: Processor level-price for fertiliser (nitrous oxide) emissions
   iii. Proposal 3: Hard-wiring implementation steps through legislation
   iv. Proposal 4: What to do between 2021-2025
   v. Proposal 5: Investigate other opportunities and barriers for on-farm greenhouse gas mitigation

   Part 2: provides some supplementary points

   Part 3: explains who we are and the entities that represent and work for our Iwi
Part 1: Summary of Waikato-Tainui’s key submission points

a) Waikato Tainui has a range of Rights and Interests including by not limited to;
   (a) rights and interests arising under the 1995 Waikato Raupatu Lands Settlement (and the Waikato Raupatu Settlement Act 1995) and the 2008-2009 Waikato River Settlement (and the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010);
   (b) rights and interests according to tikanga and customary law
   (c) The rights and interests arising from the common law (including the common law relating to aboriginal title and customary law); and
   (d) rights and interests under the Treaty of Waitangi and its principles.

b) Waikato-Tainui’s position on Agricultural Emissions;

Proposal 1: Farm-level or processor-level price for biogenic methane

Inclusion of Agricultural Emissions into the NZ ETS
Consistent with our Iwi Environmental Management Plan, Waikato-Tainui supports highest possible policy measures and outcomes conducive toward protecting the integrity of the Waikato Raupatu Land & River Settlements. As a part of the iwi’s intent to protect and restore the Waikato River for future generations, including agricultural emissions into the NZ ETS would help to give effect to the intent of the Waikato River Settlement and in particular, the Vision & Strategy which intended by parliament to be the primary direction-setting document for the Waikato River Catchment including all of its activities.

Recognition of Under-developed Maori Lands
Significant areas of freehold Māori land and general freehold land are currently farmed by ahuwhenua Trusts and Incorporations for ruminant production. This means these Trusts and Incorporations will be subject to: (i) paying for emissions at the processor-level [from 2021/25]; (ii) mandatory reporting emissions [by 2024]; and (iii) paying for their emissions and can receive credits for reductions [by 2025] and receiving 95% free allocation of emission units and benefit from incentives to reduce emissions further.

The problem is Māori land —multiple owned Māori freehold and leasehold land— faces a range of complex barriers that freehold title land does not face. During the 2021/25 interim period where biogenic methane emissions are priced at the processor-level, a proportion of the revenue generated should be earmarked and targeted at assisting Māori land used for agricultural purposes to transition to lower emission agricultural practices and land uses.

Note the ICCC report includes useful information on the use of freehold Māori land and general freehold land for agricultural production and the challenges faced by iwi, hapū, ahuwhenua Trusts and Incorporations.
**Proposal 2: Processor-level Price for Fertiliser (Nitrous Oxide) Emissions**

While the Proposed Plan Change 1 process seeks to address the four major contaminants (Nitrogen, Phosphorous Sediment, E.coli and other microbial pathogens) in respect of Water Quality, Waikato-Tainui, in conjunction with its Environmental Management Plan, continues to advocate for the highest possible policy measure including reductions in other major contaminants outside of the Regional Plan Change progress through the reduction of fertiliser-use, composition or otherwise.

**Proposal 3: Hard wiring implementation steps through legislation**

For the purposes of providing certainty to the primary sector and as our country moves toward the low-carbon, circular economy; Waikato-Tainui supports necessary staging through legislating milestones which require implementation of farm-level pricing of biogenic methane emissions.

**Proposal 4: What to do between 2021 and 2025**

Option 1 would provide clear policy-signalling in conjunction with legislative milestones to the primary sector and the wider New Zealand economy as a whole.

Waikato-Tainui expresses its concern over option 2; which does not provide the same level of certainty in respect of bringing agricultural emissions into the NZ ETS. Though private-sector cooperation including iwi ahuwhenua trusts and the like is encouraged, the state’s role in providing certainty in respect of climate viability to the natural world itself including citizens as “climate-users” and with a view to achieve the intent of the Waikato River Settlement Vision & Strategy remains a core part of the iwi’s support for option 1.

**Proposal 5: Investigate other Opportunities and Barriers for On-farm Greenhouse Gas Mitigation**

Notwithstanding the option to price fertiliser emissions at the producer-level (to reduce nitrous oxide) from 2025, the allocation of units to emit biogenic methane at the farm-level from 2025 effectively sets a cap. The targets at 2030 and 2050 set a sinking lid for the reduction of biogenic methane emissions based on retiring those units over time. If initial allocation of emission units is based on a hybrid approach of current emissions of biogenic methane (output-based) and land use suitability (or similar land-based methodology), undeveloped Māori land will receive no allocation of units.

Therefore, undeveloped land with no allocation of units has no ability to develop without acquiring units through purchasing land with available units (and if available) transferring those units. However, as a sinking lid policy to achieve the 2030 and 2050 target, it is improbable that transfer of units is envisaged.

In respect of the land that is subject to initial allocation, a grandparented approach to allocation of emission units (that excludes undeveloped Māori land) does not recognise the “service to the climate” that undeveloped Māori land provides (eg, by not being used for ruminant production and applying nitrogen-based fertiliser). This is a perverse outcome where the land that is used for ruminant production is rewarded for contributing to a
rapidly changing climate, whereas the land that provides a service to the climate (e.g. long-term sequestration of carbon, no ruminant production etc) is not financially recognised in the same way.

A more equitable situation is required for undeveloped Māori land to either receive a share of initially allocated units for biogenic methane and nitrous oxide that can be cashed out.

Part 2: Supplementary Point:

Water the Waikato-Tainui Environmental Plan maintains a focus toward further enhancement and overwhelmingly supports policy provisions which seek to strengthen existing standards including enforcement. Whereas the Waikato River Catchment is concerned; those policy provisions, it is expected by Waikato-Tainui, will remain consistent with and will give effect to the Vision & Strategy which overrides sections of the RMA notwithstanding any inconsistencies with an NPS, including the NPS-FM.

The Vision & Strategy automatically forms a part of the RPS and has an effect on over 20 other pieces of legislation. The Vision & Strategy cannot be reviewed by the Waikato Regional Council who is required to give effect to it under Proposed Plan Change 1.

Waikato Tainui do have concerns around the timing of this process as it is our understanding that from the time this information was released, to the time of when submissions closed was a window of four weeks. This does create scepticism on the part of the Crown to be genuine in the partnership model under the Treaty of Waitangi and the opportunity for Iwi to respond effectively and in a meaningful way.

While Waikato Tainui have been able to respond, we do note that this is not the case for other Iwi around the motu to mobilise and be able to reply to the proposed options. As many Iwi are still working through post settlement the potential impact of the agricultural emissions process is not fully understood hence our concern around the timing of this process to enable Iwi to respond and productively contribute to this discussion moving forward. A point that the crown needs to seriously consider in the near future.
Part 3: Who we are-Waikato-Tainui and the Waikato rohe

a) Waikato-Tainui are the tangata whenua of the Waikato rohe.

b) Our iwi comprises more than 76,000 registered members who affiliate to Waikato-Tainui, connected to 33 Waikato hapuu and represented by 68 marae, as shown in the map below.

c) The rohe (tribal region) of Waikato-Tainui is bounded by Auckland in the north and Te Rohe Potae (King Country) in the south, and extends from the west coast to the mountain ranges of Hapuakohe and Kaimai in the east.

d) Significant landmarks within the rohe of Waikato include the Waikato and Waipaa Rivers, the sacred mountains of Taupiri, Karioi, Pirongia and Maungatautari, and the west coast of Whaaingaroa (Raglan), Manukau, Aotea and Kawhia moana.

e) The recent history of our iwi has been shaped by the raupatu (confiscations) that occurred in the 1860s and other Tiriti breaches by the Crown.

f) Through Tiriti settlements and related processes, and the work of Te Whakakitenga and other Waikato-Tainui entities, our iwi has been progressively working to redress the economic, political, social and cultural deprivations suffered by our people as a result of raupatu and other Tiriti breaches and has re-built an asset base.

g) However, there is ongoing work to be done, for present and future generations, and Waikato-Tainui members remain overrepresented in the lower quartile for various socio-economic and health measures.
The entities that represent and work for Waikato-Tainui

h) The Waikato-Tainui entities that represent and work for our iwi hold and exercise kaitiakitanga (stewardship) of our whenua and other assets that provide the foundations for the economic, political, social and cultural well-being of the iwi.

i) Many of these assets have been returned to Waikato-Tainui through Tiriti settlements and related processes (e.g. RFR processes), in recognition of raupatu and other Tiriti breaches and the associated economic, political, social and cultural deprivations suffered by our people.

The settlements of Waikato-Tainui’s Tiriti claims have recognized that the raupatu including the confiscation of land in our rohe and the related invasion, hostilities, war, loss of life, destruction of taonga and property, and consequent suffering, distress and deprivation of our iwi - was a violation and grave injustice against our people, our rohe and our ancestral river, and against our rights under Te Tiriti, and had a crippling effect on the welfare, economy and potential development of our iwi.

The settlements also recognise that our Tiriti rights - including our rangatiratanga and mana whakaere over our rohe and taonga - are not diminished or in any way affected. They are ongoing.

The settlements began a process of healing and a new age of cooperation with the Crown, but that process of healing, and the process of regenerating and advancing the welfare, economy and development of our iwi, is ongoing.

j) The principal entities that represent and work for our iwi, and hold and exercise stewardship of our assets, which are shown in the diagram below, are as follows:

Te Whakakitenga is the umbrella entity for the iwi. Its objectives include protecting, advancing, developing and unifying the interests of our iwi, and it is the sole trustee of Waikato-Tainui’s two raupatu settlement trusts.

The two raupatu settlement trusts established as post-settlement governance entities for Waikato-Tainui are:

(i) Waikato Raupatu Lands Trust (Lands Trust), established for the purpose of the Waikato-Tainui Raupatu Claims Settlement Act 1995; and


These entities hold land (in the case of the Lands Trust), rights in respect of the Waikato River (in the case of the River Trust), and settlement monies received from the Crown, on trust, to redress the economic and wider deprivations suffered by our people.

Tainui Group Holdings Limited (TGH) is owned by Te Whakakitenga and oversees Waikato-Tainui’s commercial arm. Waikato-Tainui’s commercial arm seeks to generate a financial return from appropriate assets in order to further the purposes of the Lands Trust for the benefit of the iwi.
Additional entities work underneath or alongside these principal entities to deliver or undertake particular activities or projects for the benefit of the iwi. Our overall structure is shown in the following diagram.

**Te Whakakitenga o Waikato Inc.**

- **Trustee**
  - **Raupatu Settlement Trusts:**
    1. **Lands Trust**

- **Shareholder**
  - **Tainui Group Holdings Ltd Commercial Arm**

**Profits**
- **Delivery of projects/services/distributions for the benefit of iwi, hapuu, marae and members**
- **Application of appropriate assets to generate a financial return for Lands Trust purposes**