

Vote Environment

APPROPRIATION MINISTER(S): Minister of Climate Change (M12), Minister for the Environment (M29)

DEPARTMENT ADMINISTERING THE VOTE: Ministry for the Environment (A15)

RESPONSIBLE MINISTER FOR MINISTRY FOR THE ENVIRONMENT: Minister for the Environment

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Climate Change Chief Executives Board (M12) (A15) This appropriation is limited to policy and implementation advice to support the Climate Change Chief Executives Board to carry out its functions.	4,171	-	4,171
Improving New Zealand's Environment (M29) (A15) This appropriation is limited to the development and provision of policy advice and other support to Ministers on environmental matters, the implementation of policy and the monitoring of domestic environmental management and educational programmes.	154,825	8,110	162,935
Managing Climate Change in New Zealand (M12) (A15) This appropriation is limited to policy advice, reporting, and other support to Ministers on matters relating to climate change, the operation of the national carbon accounting system, and collection of the Synthetic Greenhouse Gas Levy.	48,455	3,391	51,846
Strategic Planning Reform (M29) (A15) This appropriation is limited to developing and implementing the proposed Strategic Planning Act.	3,700	3,112	6,812
Total Departmental Output Expenses	211,151	14,613	225,764
Departmental Capital Expenditure			
Ministry for the Environment - Capital Expenditure PLA (M29) (A15) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry for the Environment, as authorised by section 24(1) of the Public Finance Act 1989.	3,800	1,450	5,250
Total Departmental Capital Expenditure	3,800	1,450	5,250
Non-Departmental Output Expenses			
Administration of New Zealand Units held on Trust (M12) (A15) This appropriation is limited to the application for and holding on trust of New Zealand Units on behalf of the future owners of Crown Forest Licensed land.	177	-	177
Climate Change Commission - Advisory and Monitoring Function (M12) (A15) This appropriation is limited to the establishment and operations of the Climate Change Commission in accordance with its statutory purposes and functions.	15,532	-	15,532
Contaminated Sites Remediation Fund (M29) (A15) This appropriation is limited to the investigation, management and remediation of contaminated sites.	8,630	(5,640)	2,990
Emissions Trading Scheme (M12) (A15) This appropriation is limited to the implementation and operation of the New Zealand Emissions Trading Scheme and maintenance of a register to enable the holding and transfer of climate change units.	7,021	-	7,021
Environmental Protection Authority functions (M29) (A15) This appropriation is limited to the provision of the Environmental Protection Authority's regulatory and other statutory functions.	22,415	2,058	24,473

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Environmental Training Programmes (M29) (A15) This appropriation is limited to supporting training programmes, including Te Aho Tu Roa, that promote environmental and social sustainability, encourage Maori participation, raise environmental and ecological awareness and encourage children and young people to participate in environmental initiatives in the community.	1,900	-	1,900
Iwi/hapū management planning (M29) (A15) This appropriation is limited to supporting iwi and hapū in developing a framework and planning for environmental protection and management.	-	255	255
Promotion of Sustainable Land Management (M29) (A15) This appropriation is limited to the promotion and coordination of sustainable land management practice through a national network of coordinators.	800	-	800
Water science and economics (M29) (A15) This appropriation is limited to water science and economic impact analyses, and guidance to support development of the National Objectives Framework.	1,500	664	2,164
Total Non-Departmental Output Expenses	57,975	(2,663)	55,312
Non-Departmental Other Expenses			
Allocation of New Zealand Units (M12) (A15) This appropriation is limited to the granting of New Zealand Units to sectors of the New Zealand Economy.	2,090,200	949,100	3,039,300
Climate Change Development Fund (M12) (A15) This appropriation is limited to supporting international projects to assist developing countries address climate change issues.	300	-	300
Environmental Legal Assistance (M29) (A15) This appropriation is limited to supporting groups that wish to advocate for environmental issues in resource management cases in the courts and appearances at Boards of Inquiry of projects of national significance.	600	-	600
Exclusive Economic Zone Major Prosecutions Fund (M29) (A15) This appropriation is limited to major prosecutions relating to activities regulated under the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012.	-	500	500
Framework Convention on Climate Change (M12) (A15) New Zealand's contribution to the United Nations Framework Convention on Climate Change.	170	15	185
Fresh Start for Fresh Water: Waikato River Clean-up Fund (M29) (A15) This appropriation is limited to funding for the Waikato River Clean-up Fund for the restoration and protection of the health and wellbeing of the Waikato River for future generations.	4,540	-	4,540
Impairment of Debt Relating to Climate Change Activities (M12) (A15) This appropriation is limited to the impairment and write down of Crown debt arising from Climate Change related activities.	147,000	-	147,000
Impairment of Debt Relating to Environment Activities (M29) (A15) This appropriation is limited to the impairment and write down of Crown debt arising from Environment related activities excluding Climate Change.	1,500	3,500	5,000
International Subscriptions (M29) (A15) This appropriation is limited to subscriptions to International Environmental Agreements.	152	13	165
Loss on Sale of New Zealand Units (M12) (A15) This appropriation is limited to the loss on sale of New Zealand Units.	50,000	599,000	649,000

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Te Pou Tupua (M29) (A15) This appropriation is limited to the Crown contribution to support Te Pou Tupua (the Whanganui River Guardian) functions.	95	-	95
Transitional Support for Local Government and Iwi (M29) (A15) This appropriation is limited to providing transitional support to local authorities and iwi for new arrangements involving iwi in the management of natural resources arising from historical Treaty settlements.	-	2,897	2,897
United Nations Environment Programme (M29) (A15) New Zealand's membership of the United Nations Environment Programme.	593	130	723
Waikato River Co-Governance (M29) (A15) This appropriation is limited to the governance and operational costs of Waikato River co-governance.	910	-	910
Waikato River Co-Management (M29) (A15) This appropriation is limited to enabling the Waikato River Iwi to engage in the new co-management arrangements in relation to the Waikato River.	1,822	6,500	8,322
Total Non-Departmental Other Expenses	2,297,882	1,561,655	3,859,537
Non-Departmental Capital Expenditure			
Capital Contribution to the Environmental Protection Authority (M29) (A15) This appropriation is limited to providing a capital injection to the Environmental Protection Authority.	1,800	-	1,800
Climate Change Commission: Capital Contribution (M12) (A15) This appropriation is limited to providing a capital injection to the Climate Change Commission.	960	-	960
Total Non-Departmental Capital Expenditure	2,760	-	2,760
Multi-Category Expenses and Capital Expenditure			
Waste and Resource Recovery MCA (M29) (A15) The single overarching purpose of this appropriation is to build a resilient system for reducing, recycling and managing New Zealand's waste responsibly.	45,000	(25,659)	19,341
<i>Non-Departmental Output Expenses</i>			
<i>Waste Minimisation and Resource Recovery Initiatives</i> This category is limited to supporting research and development, innovation and commercialisation opportunities, information and education, regulatory activities (including compliance, monitoring and enforcement), data, evidence and evaluation and resource recovery infrastructure to improve New Zealand's capacity to recycle and recover materials.	44,990	(25,659)	19,331
<i>Non-Departmental Other Expenses</i>			
<i>Fair value write-down of loans</i> This category is limited to the fair value write-down of loans to local authorities and others to develop the infrastructure needed to improve New Zealand's capacity to recycle and recover materials.	10	-	10
Waste Minimisation MCA (M29) (A15) The single overarching purpose of this appropriation is to protect the environment through more effective and efficient waste management and minimisation in New Zealand.	162,933	(61,147)	101,786
<i>Departmental Output Expenses</i>			
<i>Waste Minimisation Administration</i> This category is limited to the collection and administration of the Waste Disposal Levy and assessing and monitoring costs relating to projects considered or approved for funding from the Waste Disposal Levy.	5,906	6,189	12,095

Titles and Scopes of Appropriations by Appropriation Type	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Non-Departmental Output Expenses			
<i>Contestable Waste Minimisation Fund</i> This category is limited to grants for waste minimisation initiatives.	82,027	(52,336)	29,691
Non-Departmental Other Expenses			
<i>Waste Disposal Levy Disbursements to Territorial Local Authorities</i> This category is limited to payments to territorial local authorities of their proportion of the Waste Disposal Levy as prescribed under the Waste Minimisation Act 2008.	75,000	(15,000)	60,000
Total Multi-Category Expenses and Capital Expenditure	207,933	(86,806)	121,127
Total Annual Appropriations and Forecast Permanent Appropriations	2,781,501	1,488,249	4,269,750

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Output Expenses		
Climate Emergency Response Fund - Waste Initiatives (M29) (A15) This appropriation is limited to supporting feasibility projects, infrastructure and other assets, and enabling systems that will improve New Zealand's ability to reduce emissions from waste. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation Adjustments to 2021/22 Adjustments for 2022/23 Adjusted Appropriation Actual to 2021/22 Year End Estimated Actual for 2022/23 Estimate for 2023/24 Estimated Appropriation Remaining	75,000 - - 75,000 - 3,000 24,000 48,000
Community Environment Fund (M29) (A15) This appropriation is limited to strengthening partnerships, raising environmental awareness and encouraging participation in environmental initiatives in the community. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation Adjustments to 2021/22 Adjustments for 2022/23 Adjusted Appropriation Actual to 2021/22 Year End Estimated Actual for 2022/23 Estimate for 2023/24 Estimated Appropriation Remaining	10,860 788 - 11,648 5,269 2,672 2,672 1,035
Fresh Start for Fresh Water: Rotorua Te Arawa Lakes Programme (M29) (A15) This appropriation is limited to maintaining and improving the water quality of the Rotorua Lakes. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation Adjustments to 2021/22 Adjustments for 2022/23 Adjusted Appropriation Actual to 2021/22 Year End Estimated Actual for 2022/23 Estimate for 2023/24 Estimated Appropriation Remaining	11,225 6,002 - 17,227 1,000 5,430 5,428 5,369

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Freshwater Improvement Fund (M29) (A15) This appropriation is limited to initiatives which contribute to managing New Zealand's freshwater bodies within environmental limits. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation	71,000
	Adjustments to 2021/22	223,781
	Adjustments for 2022/23	(13,500)
	Adjusted Appropriation	281,281
	Actual to 2021/22 Year End	63,543
	Estimated Actual for 2022/23	36,640
	Estimate for 2023/24	90,530
	Estimated Appropriation Remaining	90,568
Kaipara Moana Remediation (M29) (A15) This appropriation is limited to remediating Kaipara Moana by halting degradation and working towards more productive, sustainable, and high value use of land within the Kaipara catchment. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation	100,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	100,000
	Actual to 2021/22 Year End	9,688
	Estimated Actual for 2022/23	7,000
	Estimate for 2023/24	20,000
	Estimated Appropriation Remaining	63,312
Supporting Equitable Transitions and Climate Resilience for Māori (M12) (A15) This appropriation is limited to contributing to equitable transitions for communities through New Zealand's climate response. Commences: 01 July 2022 Expires: 30 June 2026	Original Appropriation	1,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	1,000
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	500
	Estimate for 2023/24	-
	Estimated Appropriation Remaining	500
Te Mana o Te Wai (M29) (A15) This appropriation is limited to helping Maori improve the quality of freshwater bodies, whose health is integral to the social, cultural, economic and environmental well-being of communities. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation	30,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	30,000
	Actual to 2021/22 Year End	6,062
	Estimated Actual for 2022/23	10,500
	Estimate for 2023/24	6,000
	Estimated Appropriation Remaining	7,438

Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	2,781,501	1,488,249	4,269,750
Total Forecast MYA Non-Departmental Output Expenses	140,442	(74,200)	66,242
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	2,921,943	1,414,049	4,335,992

Capital Injection Authorisations

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry for the Environment - Capital Injection (M29) (A15)	-	-	-

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2022/23				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	409,568	14,613	(76,863)	(62,250)	347,318
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	2,297,882	-	1,561,655	1,561,655	3,859,537
Capital Expenditure	6,560	1,450	-	1,450	8,010
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	132,923	6,189	(77,995)	(71,806)	61,117
<i>Other Expenses</i>	75,010	-	(15,000)	(15,000)	60,010
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	2,921,943	22,252	1,391,797	1,414,049	4,335,992
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	3,409,308	N/A	224,550	224,550	3,633,858
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	3,409,308	N/A	224,550	224,550	3,633,858

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Climate Change Chief Executives Board (M12) (A15)

Scope of Appropriation

This appropriation is limited to policy and implementation advice to support the Climate Change Chief Executives Board to carry out its functions.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Reporting on the Emissions Reductions and National Adaptation Plans is delivered on-time to Ministers (see Note 1)	New measure	New measure	100%

Note 1 - This is a new performance indicator and was selected as it reflects the focus of the Climate Change Chief Executives Board to provide monitoring and advice to Ministers on the implementation of the National Adaptation and Emissions Reduction Plans.

Improving New Zealand's Environment (M29) (A15)

Scope of Appropriation

This appropriation is limited to the development and provision of policy advice and other support to Ministers on environmental matters, the implementation of policy and the monitoring of domestic environmental management and educational programmes.

Expenses and Revenue

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	154,825	8,110	162,935
Revenue from the Crown	154,018	8,110	162,128
Revenue from Others	807	-	807

Components of the Appropriation

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Resource Management Reforms Policy Advice	51,898	6,550	58,448
Resource Management Reforms Implementation	33,045	200	33,245
Freshwater Implementation	29,551	760	30,311
Freshwater/Marine Policy Advice	16,231	200	16,431
Waste Management Policy and Implementation	11,695	300	11,995
Supporting Other Environmental Policies and programmes	12,405	100	12,505
Total	154,825	8,110	162,935

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Freshwater Farm Plans			
The Freshwater Farm Plan regulations are gazetted (see Note 1)	New measure	New measure	By 30 June 2023
The initial process for Certifier and Auditor appointment is established (see Note 1)	New measure	New measure	By 30 June 2023
Prototype contaminant discharge tool delivered (see Note 2)	New measure	New measure	By December 2022

Note 1 - These are new performance indicators and were selected as they reflect the focus of the Budget 2022 initiative Freshwater Farm Plan system - Implementation and Operations during 2022/23 to establish the foundations of the freshwater farm planning system.

Note 2 - This is a new performance indicator and was selected as it reflects the focus of the Nutrient Management Tool during 2022/23 to develop a prototype of the updated tool. This is funded through Budget 2022 initiative Freshwater Farm Plan system - Implementation and Operations.

Reasons for Change in Appropriation

This appropriation increased by \$8.110 million to \$162.935 million for 2022/23 due to:

- a drawdown of \$6.581 million of tranche one from the Resource Management tagged contingency for upholding Treaty settlements and other arrangements with iwi/hapū, including funding post settlement governance entities
- an expense transfer of \$2.781 million from 2021/22 in relation to Resource Management and Freshwater related reforms
- a drawdown of \$1 million of tranche one from the Ministry's wage pressure tagged contingency
- a fiscally neutral transfer of \$560,000 from non-departmental output expense: Freshwater Improvement Fund to cover costs of the Freshwater Farm Planning Auditor and Certifier Appointment Body contract for 2022/23

- a fiscally neutral transfer of \$200,000 from Vote Business, Science and Innovation relating to underspends of administration costs of Waste Minimisation and Resource Recovery initiatives work programme, and
- a reprioritisation of \$100,000 from non-departmental output expense Freshwater Improvement Fund for Environmental Monitoring and Reporting System initiative.

The above is offset by:

- a reprioritisation of \$3.112 million to other departmental output expense: Strategic Planning Reform appropriation to oversee the development and implementation of the strategic planning legislation, as part of the wider resource management reforms.

Managing Climate Change in New Zealand (M12) (A15)

Scope of Appropriation

This appropriation is limited to policy advice, reporting, and other support to Ministers on matters relating to climate change, the operation of the national carbon accounting system, and collection of the Synthetic Greenhouse Gas Levy.

Expenses and Revenue

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	48,455	3,391	51,846
Revenue from the Crown	48,307	3,391	51,698
Revenue from Others	148	-	148

Components of the Appropriation

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Climate Change Programme Policy Advice and Support	43,072	400	43,472
Climate Change Environmental monitoring and reporting	3,968	2,941	6,909
Supporting Other Climate Change Policies and programmes	1,415	50	1,465
Total	48,455	3,391	51,846

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Resource management system			
There is an agreed scope for the enabling legislation for managed retreat (see Note 1)	New measure	New measure	By 30 June 2023

Note 1 - This is a new performance indicator and was selected as it reflects the focus of the Budget 2022 initiative Climate Adaptation Act Development and Delivery during 2022/23 to develop the Climate Adaptation Act, which aims to address complex legal and technical issues associated with managed retreat.

Reasons for Change in Appropriation

This appropriation increased by \$3.391 million to \$51.846 million for 2022/23 due to:

- a fiscally neutral transfer of \$2.500 million from Vote Building and Construction to provide co-funding for the procurement of the latest climate projections data from NIWA
- a drawdown of \$500,000 of tranche one of the Ministry's wage pressure tagged contingency, and
- an expense transfer of \$391,000 from 2021/22 for a project 'FAIR Climate Data' and relates to the delivery of a prototype one-stop interface to a wide array of climate-relevant data.

Strategic Planning Reform (M29) (A15)

Scope of Appropriation

This appropriation is limited to developing and implementing the proposed Strategic Planning Act.

Reasons for Change in Appropriation

This appropriation increased by \$3.112 million to \$6.812 million for 2022/23 due to reprioritisation from other departmental output expense: Improving New Zealand's Environment appropriation to oversee the development and implementation of the strategic planning legislation, as part of the wider resource management reforms.

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry for the Environment - Capital Expenditure PLA (M29) (A15)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry for the Environment, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	2,900	1,450	4,350
Intangibles	900	-	900
Other	-	-	-
Total Appropriation	3,800	1,450	5,250

Reasons for Change in Appropriation

This appropriation increased by \$1.450 million to \$5.250 million for 2022/23 mainly to reflect the current work programme of improving its digital services and data stewardship and the Ministry's accommodation projects.

Capital Injections and Movements in Departmental Net Assets

Ministry for the Environment

Details of Net Asset Schedule	2022/23 Main Estimates Projections \$000	2022/23 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2022/23
Opening Balance	9,940	7,242	Supplementary Estimates opening balance reflects the audited results as at 30 June 2022.
Capital Injections	-	-	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	9,940	7,242	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Climate Emergency Response Fund - Waste Initiatives (M29) (A15)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Climate Emergency Response Fund - Waste Initiatives (M29) (A15) This appropriation is limited to supporting feasibility projects, infrastructure and other assets, and enabling systems that will improve New Zealand's ability to reduce emissions from waste. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	75,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	75,000
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	3,000
	Estimate for 2023/24	24,000
	Estimated Appropriation Remaining	48,000

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of applications awarded	New measure	No standard	No standard
Number of projects funded	New measure	No standard	No standard
Forecasted additional tonnes of organic waste diverted from landfill	New measure	No standard	No standard
Forecasted emissions reduced due to organic waste diversion from landfill	New measure	No standard	No standard

Note 1 - These new performance indicators were selected as they are lead indicators that reflect the focus of the Budget 2022 initiative Climate Emergency Response Fund - Waste Initiatives to reduce emissions from waste in landfills by investing in projects that increase New Zealand's ability to recover and process organic waste. No standard has been included for these measures as the Fund is in its establishment phase. We plan to establish a benchmark for the diversion and emissions reduction measures in 2023/24.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Contaminated Sites Remediation Fund (M29) (A15)

Scope of Appropriation

This appropriation is limited to the investigation, management and remediation of contaminated sites.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Reasons for Change in Appropriation

This appropriation decreased by \$5.640 million to \$2.990 million for 2022/23 due to an expense transfer of \$5.956 million to 2023/24 and outyears for the clean-up of high priority contaminated sites. This decrease is partially offset by an expense transfer of \$316,000 from 2021/22 to 2022/23 for the clean-up of the Sustainable Solvent Ltd site project.

Environmental Protection Authority functions (M29) (A15)

Scope of Appropriation

This appropriation is limited to the provision of the Environmental Protection Authority's regulatory and other statutory functions.

Reasons for Change in Appropriation

This appropriation increased by \$2.058 million to \$24.473 million for 2022/23 due to:

- an increase of \$1.500 million for the implementation of a Sustainable Biofuel mandate, and
- an increase of \$558,000 in manage the Environmental Protection Authority's core operations cost pressures.

Fresh Start for Fresh Water: Rotorua Te Arawa Lakes Programme (M29) (A15)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Fresh Start for Fresh Water: Rotorua Te Arawa Lakes Programme (M29) (A15) This appropriation is limited to maintaining and improving the water quality of the Rotorua Lakes. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation	11,225
	Adjustments to 2021/22	6,002
	Adjustments for 2022/23	-
	Adjusted Appropriation	17,227
	Actual to 2021/22 Year End	1,000
	Estimated Actual for 2022/23	5,430
	Estimate for 2023/24	5,428
Estimated Appropriation Remaining	5,369	

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Freshwater Improvement Fund (M29) (A15)*Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Freshwater Improvement Fund (M29) (A15)	Original Appropriation	71,000
This appropriation is limited to initiatives which contribute to managing New Zealand's freshwater bodies within environmental limits.	Adjustments to 2021/22	223,781
	Adjustments for 2022/23	(13,500)
Commences: 01 July 2020	Adjusted Appropriation	281,281
Expires: 30 June 2025	Actual to 2021/22 Year End	63,543
	Estimated Actual for 2022/23	36,640
	Estimate for 2023/24	90,530
	Estimated Appropriation Remaining	90,568

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Reasons for Change in Appropriation

This appropriation decreased by \$13.500 million to \$281.281 million due to:

- a reprioritisation of \$11.550 million over three years to the departmental output expense: Improving New Zealand's Environment for the Environmental Monitoring and Reporting System initiative,
- a return of \$1.390 million of unallocated COVID-19 Response and Recovery Fund: Jobs for Nature funding to the Crown, and
- a fiscally neutral transfer of \$560,000 to the departmental output expense: Improving New Zealand's Environment to cover costs of the Freshwater Farm Planning Auditor and Certifier Appointment Body contract for 2022/23.

Iwi/hapū management planning (M29) (A15)*Scope of Appropriation*

This appropriation is limited to supporting iwi and hapū in developing a framework and planning for environmental protection and management.

Expenses

	2022/23		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	-	255	255

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the delivery of a pilot to test an approach to support iwi/hapū planning for environmental protection and management that gives effect to Te Tiriti o Waitangi Principles, upholds Te Oranga o te Taiao, and provides for the relationship between iwi and hapū with their taonga.

End of Year Performance Reporting

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental output expense is less than \$5 million.

Service Providers

Provider	2022/23			Expiry of Resourcing Commitment
	Estimates \$000	Supplementary Estimates \$000	Total \$000	
Non-Government Organisations				
Iwi/hapū	-	255	255	30 June 2024

Reasons for Change in Appropriation

This is a new appropriation established in 2022/23 to support iwi and hapū in developing a framework and planning for environmental protection and management.

Kaipara Moana Remediation (M29) (A15)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Kaipara Moana Remediation (M29) (A15) This appropriation is limited to remediating Kaipara Moana by halting degradation and working towards more productive, sustainable, and high value use of land within the Kaipara catchment. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation	100,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	100,000
	Actual to 2021/22 Year End	9,688
	Estimated Actual for 2022/23	7,000
	Estimate for 2023/24	20,000
	Estimated Appropriation Remaining	63,312

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Supporting Equitable Transitions and Climate Resilience for Māori (M12) (A15)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Supporting Equitable Transitions and Climate Resilience for Māori (M12) (A15) This appropriation is limited to contributing to equitable transitions for communities through New Zealand's climate response. Commences: 01 July 2022 Expires: 30 June 2026	Original Appropriation	1,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	1,000
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	500
	Estimate for 2023/24	-
	Estimated Appropriation Remaining	500

End of Year Performance Reporting

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Te Mana o Te Wai (M29) (A15)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Te Mana o Te Wai (M29) (A15) This appropriation is limited to helping Maori improve the quality of freshwater bodies, whose health is integral to the social, cultural, economic and environmental well-being of communities. Commences: 01 July 2020 Expires: 30 June 2025	Original Appropriation	30,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	30,000
	Actual to 2021/22 Year End	6,062
	Estimated Actual for 2022/23	10,500
	Estimate for 2023/24	6,000
	Estimated Appropriation Remaining	7,438

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Water science and economics (M29) (A15)

Scope of Appropriation

This appropriation is limited to water science and economic impact analyses, and guidance to support development of the National Objectives Framework.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of projects that have achieved a minimum of 80% of the stated objectives (see Note 1)	New measure	New measure	80%

Note 1 - This is a new performance indicator and was selected as it reflects the use of this funding to establish projects by Crown Research Institutes, academia, and other consulting organisations to advance our scientific understanding of New Zealand's freshwater environment to make evidence-based policy decisions.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Reasons for Change in Appropriation

This appropriation increased by \$664,000 to \$2.164 million for 2022/23 due to an expense transfer of funding from 2021/22 to meet funding needs of the projects.

3.4 - Non-Departmental Other Expenses

Allocation of New Zealand Units (M12) (A15)

Scope of Appropriation

This appropriation is limited to the granting of New Zealand Units to sectors of the New Zealand Economy.

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the issuance of New Zealand units to eligible participants of the Emissions Trading Scheme.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Climate Change in a report appended to the Ministry for the Environment's annual report.

Reasons for Change in Appropriation

This appropriation increased by \$949.100 million to \$3,039.300 million for 2022/23 mainly due to increase in the number of units forecast for the post-1989 forestry sector and other removal activities. This is partially offset by the decrease in the number of units forecast for industrial sector.

There was an increase in post-1989 forestry applications registration in the Emissions Trading Scheme because of the Mandatory Emissions Reporting Period 3, or MERP3 ending 31 December 2022. This in turn has impacted forecast allocation over 2018 - 2022.

Exclusive Economic Zone Major Prosecutions Fund (M29) (A15)

Scope of Appropriation

This appropriation is limited to major prosecutions relating to activities regulated under the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012.

Expenses

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	500	500

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve compliance with the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 by enabling the Environmental Protection Authority to carry out major prosecutions where appropriate.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The Exclusive Economic Zone Major Prosecutions Fund is used in accordance with the agreed criteria (see Note 1)	New measure	New measure	Achieved

Note 1 - This is a new performance indicator and was selected as it reflects the use of this funding to enable the Environmental Protection Authority to carry out major prosecutions, where appropriate, in relation to the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012.

End of Year Performance Reporting

Performance information of this appropriation will be reported by the Environmental Protection Authority in its Annual Report.

Reasons for Change in Appropriation

This appropriation increased by \$500,000 for 2022/23 due to an expense transfer from 2021/22 as there were no major prosecutions in 2021/22.

Framework Convention on Climate Change (M12) (A15)

Scope of Appropriation

New Zealand's contribution to the United Nations Framework Convention on Climate Change.

Reasons for Change in Appropriation

This appropriation increased by \$15,000 to \$185,000 for 2022/23 as a result of movements in foreign exchange rates.

Impairment of Debt Relating to Environment Activities (M29) (A15)

Scope of Appropriation

This appropriation is limited to the impairment and write down of Crown debt arising from Environment related activities excluding Climate Change.

End of Year Performance Reporting

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an office of Parliament, or a Crown entity under s15D(2)(b)(ii) of the Public Finance Act as additional information is unlikely to be informative because this appropriation is the provision for incurring the expense involved in the impairment and write-down of Crown debt arising from environment related activities (excluding climate change).

Reasons for Change in Appropriation

This appropriation increased by \$3.500 million to \$5 million for 2022/23 to ensure any possible impairment expense is covered by sufficient Parliamentary authority and to mitigate any risk from an appropriation perspective that the Crown will not receive a percentage of amounts owed by landfill operators.

International Subscriptions (M29) (A15)

Scope of Appropriation

This appropriation is limited to subscriptions to International Environmental Agreements.

Reasons for Change in Appropriation

This appropriation increased by \$13,000 to \$165,000 for 2022/23 as a result of movements in foreign exchange rates.

Loss on Sale of New Zealand Units (M12) (A15)

Scope of Appropriation

This appropriation is limited to the loss on sale of New Zealand Units.

Reasons for Change in Appropriation

This appropriation increased by \$599 million to \$649 million for 2022/23 to mitigate the risk of uncertainty in the New Zealand units market price and participants opting to use the Fixed Price Option (FPO) to meet their surrender obligations. This increase will allow to recognise expenses when forestry participants who report on a five-year emissions return period use the FPO for harvesting which occurred before 2021.

Transitional Support for Local Government and Iwi (M29) (A15)

Scope of Appropriation

This appropriation is limited to providing transitional support to local authorities and iwi for new arrangements involving iwi in the management of natural resources arising from historical Treaty settlements.

Expenses

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,897	2,897

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve iwi/hapū and councils being consistently enabled to give effect to kaitiakitanga.

End of Year Performance Reporting

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Service Providers

Provider	2022/23			Expiry of Resourcing Commitment
	Estimates \$000	Supplementary Estimates \$000	Total \$000	
Local Government and other Non-Government Organisations				
Iwi/hapū and Councils	-	2,897	2,897	30 June 2023

Reasons for Change in Appropriation

This appropriation increased by \$2.897 million for 2022/23 to provide a one-off Crown Contribution to both iwi and councils in relation to Ngāti Kahungunu Ki Wairarapa Tāmaki nui-a-Rua: Final Settlement Matters natural resource arrangements.

United Nations Environment Programme (M29) (A15)*Scope of Appropriation*

New Zealand's membership of the United Nations Environment Programme.

Reasons for Change in Appropriation

This appropriation increased by \$130,000 to \$723,000 for 2022/23 as a result of movements in foreign exchanges rates.

Waikato River Co-Management (M29) (A15)*Scope of Appropriation*

This appropriation is limited to enabling the Waikato River Iwi to engage in the new co-management arrangements in relation to the Waikato River.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Payments are made on time and in accordance with the relevant deeds of agreement with the Crown for funding Waikato River Iwi as part of their co-management arrangements (see Note 1)	New measure	New measure	Achieved

Note 1 - This is a new performance indicator and was selected as it reflects the decision to move funding forward into 2022/23 to allow for a change to the schedule of payments if agreed to as part of the co-management arrangements by relevant Ministers and Waikato River Iwi.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Reasons for Change in Appropriation

This appropriation increased by \$6.500 million to \$8.322 million for 2022/23 due to Capitalisation of Waikato River Co-Management Annuity payments.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Waste and Resource Recovery (M29) (A15)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to build a resilient system for reducing, recycling and managing New Zealand's waste responsibly.

Scope of Appropriation

Non-Departmental Output Expenses

Waste Minimisation and Resource Recovery Initiatives

This category is limited to supporting research and development, innovation and commercialisation opportunities, information and education, regulatory activities (including compliance, monitoring and enforcement), data, evidence and evaluation and resource recovery infrastructure to improve New Zealand's capacity to recycle and recover materials.

Non-Departmental Other Expenses

Fair value write-down of loans

This category is limited to the fair value write-down of loans to local authorities and others to develop the infrastructure needed to improve New Zealand's capacity to recycle and recover materials.

Expenses, Revenue and Capital Expenditure

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	45,000	(25,659)	19,341
Non-Departmental Output Expenses			
Waste Minimisation and Resource Recovery Initiatives	44,990	(25,659)	19,331
Non-Departmental Other Expenses			
Fair value write-down of loans	10	-	10

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Reasons for Change in Appropriation

This appropriation decreased by \$25.659 million to \$19.341 million for 2022/23 due to:

- a return \$20 million to the Crown due to the termination of a single large project to develop a large plastics processing facility in the North Island. Following strategic assessment and detailed design, escalating costs found the facility to be non-viable and a recommendation was made not to further progress with the project with the funding recipient, and
- an expense transfer of \$9.792 million to 2023/24 because of the majority of projects have experienced delays and changes to their original work programme. These changes have affected milestone delivery timelines and are managed through variations to their Deeds of Funding.

This decrease is partially offset by an expense transfer of \$4.133 million from 2021/22 to ensure that projects have sufficient funds to complete their programme of work.

Waste Minimisation (M29) (A15)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to protect the environment through more effective and efficient waste management and minimisation in New Zealand.

Scope of Appropriation

Departmental Output Expenses

Waste Minimisation Administration

This category is limited to the collection and administration of the Waste Disposal Levy and assessing and monitoring costs relating to projects considered or approved for funding from the Waste Disposal Levy.

Non-Departmental Output Expenses

Contestable Waste Minimisation Fund

This category is limited to grants for waste minimisation initiatives.

Non-Departmental Other Expenses

Waste Disposal Levy Disbursements to Territorial Local Authorities

This category is limited to payments to territorial local authorities of their proportion of the Waste Disposal Levy as prescribed under the Waste Minimisation Act 2008.

Expenses, Revenue and Capital Expenditure

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	162,933	(61,147)	101,786
Departmental Output Expenses			
Waste Minimisation Administration	5,906	6,189	12,095
Non-Departmental Output Expenses			
Contestable Waste Minimisation Fund	82,027	(52,336)	29,691
Non-Departmental Other Expenses			
Waste Disposal Levy Disbursements to Territorial Local Authorities	75,000	(15,000)	60,000
Funding for Departmental Output Expenses			
Revenue from the Crown	5,906	6,189	12,095
Waste Minimisation Administration	5,906	6,189	12,095

End of Year Performance Reporting

Performance information for the departmental appropriation within this appropriation will be reported by the Ministry for the Environment in its Annual Report, and for the non-departmental appropriations by the Minister for the Environment in a report appended to the Ministry for the Environment's annual report.

Reasons for Change in Appropriation

This appropriation decreased by \$61.147 million to \$101.786 million for 2022/23 due to:

- a decrease of \$52.336 million in non-departmental output expense: Contestable Waste Minimisation Fund to match funding with projects milestone deliverables, and
- a decrease of \$15 million in non-departmental other expense: Waste Disposal Levy Disbursements to Territorial Local Authorities to reflect the 50 percent of Waste Disposal Levy revenue collected is distributed to territorial local authorities to be spent on waste minimisation activities.

This decrease was partially offset by a fiscally neutral transfer of \$6.189 million from the non-departmental output expense: Contestable Waste Minimisation Fund to departmental output expense: Waste Minimisation Administration due to increase in administration and compliance activity arising from the expanded waste levy.