

VOTE

Environment

Terms and Definitions Used

ERMA	Environmental Risk Management Authority
HSNO	Hazardous Substances and New Organisms Act 1996
MEA	Multilateral Environment Agreement
RMA	Resource Management Act 1991
SMF	Sustainable Management Fund

Environment

VOTE MINISTER: Minister for the Environment

ADMINISTERING DEPARTMENT: Ministry for the Environment

The Minister for the Environment is the Responsible Minister for the Ministry for the Environment

Part B - Statement of Appropriations

Summary of Appropriations

Types of Appropriation	Appropriations to be Used				Total Appropriations \$000
	By the Department Administering the Vote		For Non-Departmental Transactions		
	Annual \$000	Other \$000	Annual \$000	Other \$000	
Operating Flows					
Classes of Outputs to be Supplied	33,877	-	10,599	-	44,476
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	3,184	-	3,184
Capital Flows					
Capital Contributions	-	-	-	-	-
Purchase or Development of Capital Assets	-	-	-	-	-
Repayment of Debt	-	-	-	-	-
Total Appropriations for 2002/03	33,877	-	13,783	-	47,660
Total 2002/03 Main Estimates Appropriations	30,372	-	17,721	-	48,093

Part B1 - Details of Appropriations

	2002/03						Purpose of and Reasons for Change in 2002/03 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Environmental Policy Advice	28,127	-	3,505	-	31,632	-	Advice on environmental policies and issues to achieve a healthy environment, which sustains nature and people. The Supplementary Estimates adjustments provides for an increase of \$4,852,000 transferred from Vote Prime Minister and Cabinet for the change in institutional arrangements of the Climate Change Office which is offset by an earlier transfer to Vote Prime Minister and Cabinet of \$1,294,000 and an increase of \$918,000 for the financial administration of the Oceans Policy Secretariat. Three expense transfers to 2003/04 were made \$309,000 for the National Policy Statement for Biodiversity, \$307,000 for the National Study of Risk Substances in Sewage and \$338,000 for the Carbon Monitoring Programme.
D2 Administration of the Sustainable Management Fund and Residual Catchment Grant	745	-	-	-	745	-	Administration of the Sustainable Management Fund (SMF), including: promotion of the SMF and development of SMF publications. Funding of projects through tendering and application processes, payments to providers, contract management, monitoring and auditing of funded projects.
D3 Bioethics Council	1,500	-	-	-	1,500	-	To establish and enable the operation of the Bioethics Council to facilitate key recommendations of the Royal Commission on Genetic Modification.
Total Appropriations for Departmental Output Classes (Mode B Gross)	30,372	-	3,505	-	33,877	-	

Non-Departmental Output Classes							
O1 Clean-Up of Orphan Crown Contaminated Sites	3,100	-	(3,000)	-	100	-	Administration of the orphan site clean-up fund, including advising on the clean-up of Mapua and Tui Mine contaminated sites. The Supplementary Estimates provides for an expense transfer of \$3,000,000 to 2003/04 to continue this project.
O2 Development and Implementation of Sustainable Management	4,324	-	(450)	-	3,874	-	Projects that identify environmental risks and implement methods for addressing environmental problems; and projects for the developing and trialing of methods and options designed to enhance the sustainable management of the environment. The Supplementary Estimates provides for a fiscally neutral adjustment of \$450,000 to Sustainable Land Management - Promotion and Training.
O3 Hazardous Substances and New Organisms Assessment and Management	5,975	-	-	-	5,975	-	Administration of the HSNO Act by the Environmental Risk Management Authority, to protect human health and the environment from the adverse effects posed by hazardous substances and new organisms.
O4 Residual Catchment Works	200	-	-	-	200	-	Subsidy provided to the Environment Waikato for maintaining the Lower Waikato Flood Protection Scheme. This scheme is designed to provide flood protection to communities in the region.
O5 Sustainable Land Management - Promotion and Training	-	-	450	-	450	-	Promotion of sustainable land management practices through a national network of coordinators. The Supplementary Estimates provides for an increase in funding by a fiscally neutral adjustment of \$450,000 from the Development and Implementation of Sustainable Management.
Total Appropriations for Non-Departmental Output Classes	13,599	-	(3,000)	-	10,599	-	
Other Expenses to be Incurred by the Crown							
Framework Convention on Climate Change	102	-	-	-	102	-	New Zealand's country contribution to the United Nations' Framework Convention on Climate Change.
Montreal Protocol to the Vienna Convention on Ozone Protection	20	-	-	-	20	-	New Zealand's country contribution to the Montreal Protocol on Ozone Protection.
Subscription to Basel Convention	14	-	2	-	16	-	New Zealand's country contribution to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

Part B1 - Details of Appropriations (continued)

	2002/03						Purpose of and Reasons for Change in 2002/03 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Other Expenses to be Incurred by the Crown – cont'd							
United Nations Environment Programme	336	-	(2)	-	334	-	New Zealand's membership of the United Nations Environment Programme.
Legal and Environment Centre Grants	1,850	-	-	-	1,850	-	Funding and grant schemes to help remove some of the barriers to public participation in resource management processes, particularly in the legal environment, and to support the work of environment centres in raising awareness of environmental issues and actions.
The Sir Peter Blake Memorial Trust	1,800	-	(1,800)	-	-	-	Establishment of a Trust fund to commemorate the life and work of Sir Peter Blake. The Supplementary Estimates provides for an expense transfer to 2003/04 due to the delay in formation of the Trust.
Franz Josef Risk Mitigation	-	-	862	-	862	-	Government contribution towards the relocation of the motel, camping ground and the lodge in Franz Josef Village.
Total Appropriations for Other Expenses to be Incurred by the Crown	4,122	-	(938)	-	3,184	-	
Total Appropriations	48,093	-	(433)	-	47,660	-	

Part C- Explanations of Appropriations for Output Classes

C1 - Departmental Output Classes

Output Class D1 - Environmental Policy Advice

This class of outputs covers the purchase of advice by the Minister on environmental policies and issues, and includes:

- administering the RMA, monitoring of practice under it, and providing information and advice on best practice that supports excellence in RMA implementation
- completing legislative amendments to the RMA through the parliamentary process and providing advice in support of implementation
- establishing and implementing a national State of the Environment reporting system for measuring and reporting on environmental outcomes and policy performance
- participating in a “whole of government” climate change work programme to enable New Zealand to ratify the Kyoto Protocol, to develop and implement domestic policies and to meet other obligations and commitments under the United Nations Framework Convention on Climate Change
- implementing the New Zealand Waste Strategy
- implementing the Government’s decision on the recommendations from the Royal Commission on Genetic Modification
- monitoring ERMA implement the HSNO Act and advising on regulations for the transfer of hazardous substances into the HSNO framework
- providing advice on fisheries and marine issues, including sustainability issues under the amended Fisheries Act 1996 and also leading the Oceans Policy development
- providing advice on issues associated with biodiversity, and input towards developing a biodiversity strategy for New Zealand, as well as the developing of a National Policy Statement on biodiversity
- providing advice to develop a New Zealand position for negotiations at the World Trade Organisation, including multilateral environment agreements (MEA) and environmental labelling
- developing legislative proposals to address liability for representing the Minister in environmental legal proceedings.
- providing assistance for the clean-up of historic contaminated sites
- providing advice related to the settling of Treaty of Waitangi claims to natural resources
- administering the orphan site clean up fund, including advising on the clean-up of the Mapua and Tui Mine contaminated sites
- statutory responsibilities under environmental statutes, including:
 - the Soil Conservation and Rivers Control Act 1941
 - the Environment Act 1986
 - the Resource Management Act 1991
 - the Hazardous Substances and New Organisms Act 1996
 - the Ozone Layer Protection Act 1996.

Climate Change Office

The institutional arrangements for the Climate Change Office were transferred from the Department of the Prime Minister and Cabinet to the Ministry for the Environment with effect from 1 February 2003. Subsequently, the amount of \$4.852 million being the unspent funds, was transferred. This is offset by an earlier transfer to the Department of the Prime Minister and Cabinet from the Ministry for the Environment of \$1.294 million. Funding includes the purchase of policy advice and implementation, management and co-ordination of the carbon monitoring programme, operational costs, public awareness and fulfilling New Zealand's international obligations.

Oceans Policy

The Oceans Policy project is funded through the Biodiversity Package. Up until 30 June 2002, project funding was administered under Vote Fisheries. With effect from 1 July 2002, responsibility for financial administration and the corresponding funds of \$918,000 were transferred to the Ministry for the Environment.

C2 - Non Departmental Output Classes

Output Class 01 - Clean-up of Orphan Contaminated Sites

Government subsidies are being provided to assist councils to remediate orphan contaminated sites in New Zealand. Orphan contaminated sites are those sites where either no party can be fixed with legal liability, or where the liable party is unable to fully fund the remediation.

Currently Government is contributing to the cost of site clean up at the ex-Fruitgrowers Chemical Company site, Mapua, Tasman which is heavily contaminated with pesticides and assessed as posing a high risk to human health and the environment.

This output class will also provide funds for the further investigations and characterisation of the Tui Mine site near Te Aroha. The remediation options for this site are being investigated and the preferred remediation approach is being selected and costed.

Quantity, quality and timeliness

The Crown has committed funds to this remediation fund for 2003/04 and out years. Criteria to assist with determining what sites will be cleaned up will be approved by Cabinet. Sites identified for clean up will be on a case-by-case basis. All money to be used for scoping and site clean up will be negotiated and specified in contracts approved by the Minister for the Environment.

Cost

\$3.000 million of the funding allocated for the 2002/03 financial year has been carried forward to the 2003/04 financial year because the main call on the Fund will fall over 2003/04 and 2004/05.

Part D - Explanation of Appropriations for Other Operating Flows

The Sir Peter Blake Memorial Trust

Under this non-departmental output class, the Minister for the Environment provides for the establishment of “The Sir Peter Blake Memorial Trust” to commemorate the life and work of Sir Peter Blake.

The purpose of the Trust is to:

- assist with the educational aspects of Blakexpeditions
- develop programmes and resources for schools
- enhance and maintain the educational capability of the Blakexpeditions website
- provide opportunities for students to travel on the Seamaster.

Quantity, quality and timeliness

Westpac will undertake the operational responsibilities of the Trust. A minimum of seven trustees comprising: Lady Blake; a representative from the Blakexpeditions; a representative from the New Zealand government; and four others (one from the party responsible for operating the Trust, one from Team New Zealand, one with an environmental/scientific background and one with a business background) will make up the trusteeship.

Cost

The appropriation for 2002/03, providing for a dollar for dollar subsidy matching private donations up to \$1.800 million, has been carried forward to 2003/04 pending the finalisation of discussions with the Blake family regarding the establishment of the Trust.

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Receipts

	2002/03			Explanation of 2002/03 Crown Revenue
	Main Estimates	Supplementary Estimates	Total Budgeted	
	\$000	\$000	\$000	
Current Revenue				
Non-Tax Revenue				
Catchment Works Loans - Interest	8	-	8	Interest earned on Catchment Works Loans.
Coastal Royalties	400	-	400	Royalties received for the occupation of coastal space and taking of sand and shingle.
Total Non-Tax Revenue	408	-	408	
Total Current Revenue	408	-	408	
Capital Receipts				
Catchment Works Loans - Principal	1,235	-	1,235	Principal repaid on Catchment Works Loans.
Total Capital Receipts	1,235	-	1,235	
Total Crown Revenue and Receipts	1,643	-	1,643	