The state of environmental reporting: The best way forward for environmental reporting in New Zealand

Summary prepared by Genevieve Hilliard and Tim Breese

This is an abridged version of a report prepared for the ERST 635 Group Case Study, as part of the Master of Environmental Policy degree at Lincoln University in 2009. The focus of this study was to analyse the current state of environmental reporting in New Zealand.

The authors of the full report are Tim Breese, Sharleen Gargiulo, Genevieve Hilliard, Arian Lemal and Jessica Ross.

Introduction

Prior to the 2008 election the National Party indicated that New Zealand's environmental reporting system required improvements. This report assesses the proposal put forward by the National Party 'A Bluegreen Vision for New Zealand' as well as potential alternatives for the future of environmental reporting in New Zealand. Options were developed following a review of theoretical perspectives, international influences and current national environmental reporting in New Zealand, including environmental legislation and the role of agencies. From an understanding of the research, a set of criteria reflecting good environmental reporting practice was established. This provided the basis for our evaluation of the options.

Current situation

Under the 1986 Environment Act two new bodies were given primary responsibility of managing New Zealand's environment, the Parliamentary Commissioner for the Environment (PCE) and the Ministry for the Environment (MfE). However, at no point in the Act does it charge either body with reporting on the environment. As there was no legislative requirement for any specific programme of environmental reporting, each government department was responsible for reporting on its own area. Thus any form of environmental reporting was ad hoc, fragmented and not specifically included in any assessment of the state of the nation's environment. However, the MfE did undertake their very first "State of New Zealand's Environment" report in 1997, where they found that the country's "environmental information needs considerable upgrading if the state of the nation's environment is to be accurately described" (MfE, 1997, ch.10, p.3).

Following a 2006 directive, the MfE was tasked with confirming a set of national environmental indicators, producing the second national state of the environment (SoE) report, and establishing a National Environmental Reporting Programme (NERP). The second national state of the environment report, *Environment New Zealand 2007,* was released on 31 January 2008. The report found that it was slightly constrained in determining whether certain elements of the environment were improving or deteriorating as the 1997 report did not make use of indicators. This meant there were limited benchmarks against which they could monitor environmental change. Thus the data they had could not necessarily be used to analyse trends.

Reporting in practice

According to the MfE, environmental reporting draws together information and data on the current state of the environment, on environmental trends and on the effects of human activities, or 'pressures', on the environment (MfE, 2009, p.3). The MfE undertake their reporting role by performing a series of tasks designed to provide clear, realistic information on the state of the environment, as set out in the NERP. Secondly, in between these five yearly periods, they produce "regular" report cards based on those indicators along with technical reports and surveys regarding specific elements of the environment. These reports are designed to be accessible to all New Zealanders and are updated when "new data becomes available".

Environmental reporting is carried out at national, regional and local levels. The MfE has limited environmental monitoring capability and thus depends on various agencies' input for its SoE reporting process. As there is no standardised approach to monitoring and reporting, the information gathered from these agencies is inconsistent. Therefore, the MfE is tasked with the challenging role of coordinating and comparing information from different parts of the country and aggregating it at the national level.

Due to the poorly defined roles and responsibilities of national environmental reporting in New Zealand, leading to a fragmented reporting process, the National Party put forward 'A Bluegreen Vision for New Zealand' prior to the 2008 election. This proposed a more systematic reporting process, assigning primary responsibility for national environmental reporting to the Parliamentary Commissioner for the Environment (National Party, 2006).

Environmental reporting options

To determine the best way forward for environmental reporting in New Zealand a number of options were considered by our group. These options were developed following a review of theoretical perspectives, international influences and current national environmental reporting in New Zealand including environmental legislation and the role of agencies. The options identified are as follows:

- Retain status quo:
- Adopt the Bluegreen proposal;
- The MfE retains their reporting role, but with the PCE taking on an auditing role;
- Establish an independent environmental reporting agency; and
- Devolve environmental reporting responsibility solely to local government.

Best Practice Criteria

Based on our understanding of the theoretical literature of "best

practice" environmental reporting, we established a set of criteria to evaluate the options. It is our recommendation that environmental reporting in New Zealand should:

- Clearly define the purpose of environmental reporting through a clear set of commonly agreed goals, objectives and targets. This should include what is defined as 'environment'
- Help to Inform users about:
  - What is happening to the environment
  - Why is this happening
  - Where there are gaps in our knowledge
  - What is being done to address the state of our environment
  - Has this made a change
  - How do we compare over time and space and with others
  - What can be done in the future
- Be supported by scientific and credible environmental information
- Be directed at a range of user needs. A 'layered' system is recommended that would include a succinct overview in a readily accessible format with links to more detailed technical information
- Support decision-making and feed into policy and planning cycles. In particular, the frequency and timing should link with the state budget
- Clearly define reporting roles and responsibilities, including, specific legal mandates that prescribe these roles and responsibilities
- Be supported with appropriate capacity and skill
- Be objective and unbiased. It is our recommendation that for maximum credibility the SoE reporting unit should be independent of policy, but maintain links for effective environmental assessment in policy development
- Involve vertical and horizontal coordination, both within and among, agencies involved (including protocols and systems for producing, disseminating and accessing information)
- Include a review process of the reporting system, in terms of its efficiency, effectiveness and relevance towards meeting user needs
- Be seen as a "work-in-progress" that will continue to evolve as information and methodologies are reviewed, but still delivers results

Conclusions

Throughout the course of our research it has become clear that the current environmental reporting system in New Zealand has a series of flaws that affect the MfE's ability to provide quality environmental reporting data. The most pronounced drawbacks relate to the MfE's reporting unit's perceived lack of independence from policy makers, the lack of a specific legal mandate for any national level environmental reporting, and the inconsistent provision of environmental data from regional to national level. The National Party has sought to address these concerns by proposing an Environmental Reporting Act that hands the responsibility for environmental reporting to the PCE, whilst downsizing the MfE into a small policy advisory unit, and expanding the Environmental Risk Management Authority (ERMA) into an Environmental Protection Authority (EPA). However, Prime Minister John Key further stated (when he was the leader of the opposition) that there would be no expansion of existing bodies, and no extra bureaucrats. It would arguably be difficult for the PCE to improve SoE reporting without a major increase in staffing and financial resources. Also, as our interviews found, giving the PCE a reporting role would compromise their ability to maintain an independent auditing role.

Thus, we felt it necessary to consider a range of alternative options that might better address the flaws in the current system. One such option involves the devolution of responsibility to the regional level. This would better engage local communities in the environmental reporting process, and allow for the utilisation of local knowledge and information. However, it would fail to address many of the concerns of environmental reporting such as: regional inconsistencies of environmental data, the importance of an independent agency objectively reviewing the processes involved and multi-scale environmental problems.

A further option involves the creation of an Environmental Reporting Act that gives a mandate to the MfE to keep their reporting role whilst ensuring that the PCE take on the role of independent auditor. The auditing role would require them to review environmental reporting processes and make recommendations to policy makers based on the MfE's reports. This would address the problem of a lack of political mandate, and a perceived lack of independence inherent in the current system. It also appears to be politically and economically feasible, as it would not involve any major institutional restructuring, and retains the current knowledge gained by those involved in the existing reporting system. However, this option would also retain the current system's limitations, specifically, a lack of widespread participation and regional coordination and would not provide the capacity to significantly improve current national level environmental reporting.

This leaves the option of the creation of an independent Environmental Reporting Agency, given a mandate to be responsible for environmental reporting under an Environmental Reporting Act. After measuring the options against our criteria of best environmental reporting, and ranking the options against each other, we believe this option to be the most desirable. Under this option most of the flaws inherent in the present system would be addressed by new institutions and legislative mandates, thus making it a more satisfactory system for environmental reporting. However, creating an independent reporting agency would entail significant restructuring of the current system. Such an initiative would therefore require a major input of resources, such as time, staff and finances. This would appear to be the one significant drawback of the option, particularly due to the current economic downturn and the new government's reluctance to provide extra resources to the environmental sector.

References

Ministry for the Environment, (1997). *State of New Zealand's Environment.* MfE: Wellington.

Ministry for the Environment, (2009). *Reporting on New Zealand's Environment: How the national environmental reporting programme works.* Retrieved November 11, 2009, from http://www.mfe.govt.nz/publications/ser/reporting-nz-environment/reporting-nz-environment.pdf

National Party (2006). *A BlueGreen Vision for New Zealand.* Retrieved March 4, 2009, from http://www.national.org.nz/bluegreens/A%20Bluegreen%20Vision%20for%20New%20Zealand.pdf