

[Budget Sensitive]

Office of the Minister of Conservation

Cabinet Economic Policy Committee

## Next stages of the Predator Free 2050 programme

### Proposal

1. This paper seeks Cabinet's agreement to release a discussion document and initiate public consultation on the next Predator Free 2050 (**PF2050**) national strategy.
2. This paper also seeks Cabinet's agreement to authorise the joint shareholding Ministers to disestablish Predator Free 2050 Limited (**the Company**) to achieve cost savings and create a more efficient delivery model for predator free work.
3. s.9(2)(f)(iv)

### Relationship to government priorities

4. The predator free goal was established by the National Government in 2016. It seeks to eradicate three of the most harmful invasive animal predators (possums, mustelids, rats) from the country by 2050 [CAB-16-MIN-0335 refers].
5. In 2019, Cabinet approved the national strategy Towards a Predator Free 2050 [CAB-19-MIN-1234]. A scheduled review of the strategy in 2025 will ensure it is suitable for the next five-year phase of PF2050 implementation.
6. Predator eradication supports the Government's priority to build a stronger, more productive economy that lifts incomes and increases opportunities for New Zealanders. Clean air, water, the food we farm, catch or hunt, and our tourism and primary industry-based economy all depend on nature. Predator management is a key lever to deliver improved biodiversity outcomes, upon which the economy depends.
7. Disestablishment of the Company is aligned with the Government's fiscal strategy to achieve a sustainable fiscal outlook from responsible spending while delivering efficient and effective Crown-funded activities.
8. s.9(2)(f)(iv)

## Executive Summary

9. PF2050 is a foundational conservation strategy which responds to the significant biodiversity loss in New Zealand caused by introduced predators, estimated to kill 25 million native birds annually.
10. The original PF2050 strategy, released in 2020, has successfully incentivised innovation, initiated diverse eradication projects across the country, harnessed community support and garnered international interest. Significant achievements include:
  - Predator Free South Westland is tracking to remove predators from 107,000 hectares by 2025 with proven benefits to native plants and bird species in the project area.<sup>1</sup>
  - Predator Free Wellington has successfully removed Norway rats, ship rats and weasels from Miramar Peninsula resulting in a 91% increase in native birds.<sup>2</sup> The project has mobilised over 10,000 backyard trappers, 200 trained volunteers and received over 9,500 individual landowner permissions.
  - The Department's National Predator Control Programme is controlling predators over 1.8 million hectares to a level where native species can thrive.<sup>3</sup>
  - PF2050 innovation funds are accelerating development of tools and technology. A notable example is The Cacophony Project's thermal camera and audio bird monitor. It uses artificial intelligence to identify predators as well as monitor and identify bird song.
  - PF2050 has captured the public interest, with 40% of New Zealanders having heard of it.<sup>4</sup> Vast numbers of volunteers, Iwi/Māori, non-government organisations, local councils and businesses are participating in predator free efforts across the country.
11. It is now time for a scheduled review of the strategy, led by the Department in its role as the lead government agency. Given the high level of public awareness and involvement in PF2050 I recommend public consultation to leverage New Zealanders' positive support for the revised national strategy.
12. A discussion document has been prepared to guide consultation (Appendix A). It requests feedback on the proposed set of 2030 goals and the target species list. There is high public interest in how the government intends to deal with feral cats, and the PF2050 strategy review was identified by the Environment Select Committee as an opportunity to further consider this issue. I propose to retain the current target species list while continuing to undertake research on other mammalian predators (including feral cats). The consultation is an opportunity to understand public sentiment towards this approach.
13. The Department will co-ordinate the consultation on the PF2050 strategy with the consultation on the implementation plan for the Aotearoa New Zealand Biodiversity

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<sup>1</sup> [Predator Free South Westland Impact Report – Predator Free South Westland](#)

<sup>2</sup> [Miramar Peninsula \(Phase 1\) • Predator Free Wellington](#)

<sup>3</sup> [National Predator Control Programme Annual Report 2023](#)

<sup>4</sup> [Measuring the perceptions of Predator Free 2050 since 2022 benchmark study – Predator Free New Zealand Trust](#), June 2024

Strategy (ANZBS), approved by Cabinet in November 2024 [ECO-24-MIN-0271]. Following this, I will present the revised PF2050 strategy to Cabinet for approval in late 2025.

14. This paper also progresses two other initiatives related to my portfolio priorities to generate more sustainable revenue streams whilst controlling costs:
  - the disestablishment of the Company; and
  - s.9(2)(f)(iv)
15. On behalf of the Minister of Finance, the other shareholding Minister, I propose to disestablish the Company, which was established in 2016 as a Crown-owned, charitable company, listed in Schedule 4A of the Public Finance Act 1989 [CAB-MIN 0335 refers].
16. The Company has delivered on its role to invest Crown funds in large landscape projects but has not directly attracted philanthropic funding, nor anticipated cost-effective scientific breakthroughs. There is also overlap in the system, with other entities across the PF2050 programme performing functions undertaken by the Company, leading to role confusion and inefficiencies. With the reduction in Crown investment into the Company (previously from the Provincial Growth Fund and Jobs for Nature), and minimal alternative revenue streams, the Company faces increasing fiscal sustainability risks for diminishing returns.
17. Disestablishing the Company is likely to deliver the greatest efficiencies, as well as significantly improved role clarity across the PF2050 programme. Excluding the one-off costs for dissolving the Company in the 2025/26 year, eliminating the Company's operating costs could save the Crown at least \$3.5 million annually, from 2026/27 onwards. Of the \$5.9 million baseline funding, the remaining \$2.4 million committed to projects would be managed directly by the Department alongside their other investments.
18. s.9(2)(f)(iv)
- 19.

### Background to Predator Free 2050

20. Introduced predators are a key driver of biodiversity loss and kill an estimated 25 million native birds each year. Over 4000 native species are threatened or at risk of extinction in New Zealand - one of the highest proportions in the world.
21. PF2050 is a bold response to the challenge of introduced predators, and is part of the approach set out in the ANZBS. Achieving PF2050 will bring significant benefits to our economy, environment, biodiversity, national identity and enhance our reputation as a world leader in conservation. If New Zealand is not successful in removing predators and the devastating impact they are having on our natural environments, we

risk international visitors experiencing silent, dead and dying forests, not the pristine images of New Zealand they came for.

22. Conservation also drives interest in New Zealand as a tourist destination, supporting a \$17 billion direct tourism economic contribution together with an additional \$11.7 billion of associated economic activity in 2024.<sup>5</sup> In 2019, tourism on public conservation land and waters provided an annual value of \$4.1 billion, or 21% of the tourism industry.<sup>6</sup> These industries provide incomes and opportunities for many regional communities.
23. Cabinet approved the first national PF2050 strategy in 2019 and appointed the Department as the lead government agency responsible for setting and guiding the strategic direction. The PF2050 strategy has incentivised innovation, harnessed community support and initiated projects that have tested a diverse range of eradication approaches. Significant progress towards achieving the seven ambitious 2025 goals has been made.
24. The success of PF2050 to date has been collective, including organisations with a predator free focus (the Department, the Company, Predator Free New Zealand Trust, ZIP), Iwi/Māori, community groups, scientists, innovators, businesses, councils, philanthropists, fenced sanctuaries, farmers and many more.
25. PF2050 has inspired community action like no previous campaign: 29% of New Zealanders have trapped introduced predators and 37% have visited and supported an eco-sanctuary.<sup>7</sup> People are aware of and invested in creating a predator free future.

### **Public consultation on the Predator Free 2050 strategy review**

26. I am seeking Cabinet approval to initiate public consultation in April and publish the attached discussion document (Appendix A) on the Department's website.

### ***Focus of discussion document***

27. The discussion document and consultation are focused on two areas: setting new 2030 goals and the PF2050 target species list.
28. As part of the PF2050 strategy, goals are set every five years to act as indicators of progress and provide a critical focus for operational activity. The discussion document seeks feedback on ten proposed 2030 goals connected to four focus areas:
  - Mobilising for action: inspiring New Zealanders and empowering communities to take action.
  - Maintaining the gains: continuing essential predator control to improve outcomes for native species and biodiversity.
  - Innovating for eradication: advancing tools and techniques to effectively and efficiently eradicate predators in rural, urban and conservation areas.

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<sup>5</sup> Tourism Satellite Account 2024 (published 2025).

<sup>6</sup> Department of Conservation (2019). This was an indicative internal estimate on the annual average economic value of tourism activities on public conservation land.

<sup>7</sup> [Measuring the perceptions of Predator Free 2050 since 2022 benchmark study](#) – Predator Free New Zealand Trust, June 2024

- Preparing to accelerate: developing an evidence-based plan to achieve the PF2050 goal to attract required funding from a diverse range of sources.
29. The discussion document proposes retaining the target species list for nationwide eradication by 2050 (currently possums, rats and mustelids) while continuing to advance our understanding of feral cats, mice and hedgehogs, and invites the public to comment on this approach.
30. The Department is consulting the public on this issue in response to a petition considered in 2023/24 by the Environment Select Committee that legislation be developed for the management of cats. The government response was that the development of national regulation to control and register cats was not a priority at that time. However, it noted that a review of the PF2050 strategy was forthcoming and that regulations to control and register cats may form part of this work.
31. As a first step in considering management of cats, the strategy review considers if feral cats should be on the target species list and asks for public feedback about the benefits and challenges of not including feral cats on the list at this time.

***Our proposed approach to consultation***

32. The strategy review is an opportunity to engage with the public and get feedback on how PF2050 can further support the grassroots effort, where tens of thousands of New Zealanders contribute through essential community efforts in pursuit of the goal. I therefore expect a moderate level of interest. The consultation approach includes:
- General public consultation via the Department’s website, seeking feedback on questions relating to 2030 goals and the target species list.
  - A small number of hui hosted by the Department alongside PF2050 landscape projects (supported via government funding) and their communities.
  - Targeted engagement with key PF2050 contributors including Iwi/Māori, the science community and wider biodiversity stakeholders.

**Proposed disestablishment of Predator Free 2050 Limited (the Company)**

33. The Company is the sole Crown-owned company in the predator free programme. Since its establishment in 2016 as an entity under schedule 4A of the Public Finance Act, the Company has delivered on its role to invest Crown funds in large landscape projects. However, it has not achieved value for money in several critical areas:
- It has not delivered on Cabinet expectations to attract significant non-Crown funding, nor does it have a clear plan to do so. It has also not made the anticipated investments in science and research funded through philanthropic sources.
  - The Company’s functions overlap significantly with those of others in the PF2050 programme, leading to duplication, inefficiencies and additional transaction costs.
  - The Company’s operating costs have increased over time and plateaued at approximately \$3.5 million annually from 2023. With the reduction in Crown investments (from the Provincial Growth Fund and Jobs for Nature) and minimal alternative revenue streams, this level of operating cost represents 60% of baseline funding of \$5.9 million, and calls into question the Company’s long term financial


sustainability and value for money. The Department understands that the Company's approach to managing its funding cliff is an expectation of further Crown funding.

- The Company has been invited to reduce its overhead and operating costs, however, under the current planning, operational costs will likely continue to increase as a percentage of total revenue.
34. Separate to on-going monitoring of the Company, I was invited to review and find opportunities to consolidate biodiversity and predator control work. Due to the Budget Sensitive nature of this review, the Company has not been consulted on shareholders' views.
35. I have considered two options to address the fiscal challenges: Reduce the scope of the Company or disestablish the Company and transfer its functions to other organisations.
36. Reducing the scope of the Company is unlikely to generate any material savings or efficiencies as the Company will continue to be expensive to run, given its form. Duplication and transaction costs, including monitoring and reporting, remain.
37. I consider that disestablishing the Company will deliver an operating cost saving of \$3.5 million annually from 2026/27. It will also create a more efficient delivery model for predator free work as the Department would manage the remaining \$2.4 million committed to projects.
38. Given the above the Minister of Finance and I, as shareholding Ministers, propose to disestablish the Company.
39. Disestablishing a Crown company will require legislative changes by removing the Company from Schedule 4A of the Public Finance Act, and its functions and existing contracts transferred to others. The Department and Treasury will work together and report back to the shareholding Ministers on the specific steps and decisions required to disestablish the Company.

### Exploring investment models for PF2050

40. The refreshed PF2050 strategy is proposed to last until 2030, at which point the Government will have the opportunity to determine whether and how to expand PF2050. This will require an investment model and cost benefit analysis on whether the economic and biodiversity benefits justify the level of investment needed. This will include assessing whether predator eradication provides more value than ongoing predator suppression, that the biodiversity and other benefits from this work are a priority and whether there are funding sources and mechanisms beyond Crown funding.
41. s.9(2)(f)(iv)

s.9(2)(f)(iv)



**Implementation**

48. Following Cabinet approval of the PF2050 strategy, the Department will update its PF2050 implementation plan which describes how the strategy will be delivered.
49. Upon Cabinet agreement, I will expedite work to disestablish the Company in 2025/26, and report back to Cabinet during implementation.

## **BUDGET SENSITIVE**

50. Disestablishment of the Company carries risks such as perceived loss of Government support for the work. This can be mitigated by emphasising the Government's commitment to PF2050 goal, honouring existing Company contracts in predator free research and landscape scale projects and explaining the approach to simplify the delivery model to maximise value for money and impact.

### **Cost-of-living Implications**

51. There are no cost-of-living implications associated with this proposal.

### **Financial Implications**

52. I expect disestablishment costs will be funded from the Company's current 2025/26 appropriated funding. There is funding currently committed to third-party organisations via contracts through to 2027/28. While a full legal analysis of these contracts is required, the Department will become responsible for managing and honouring these contracts after disestablishment of the Company. The Department can absorb the project investment function, with limited impact on the PF2050 goal.
53. I expect the operating costs to be fully available (returned to Crown) by 2026/27. The remainder \$2.4 million, will be committed to predator free projects in outyears. I will instruct the Department to work with Treasury to ensure the Vote Conservation appropriations are adjusted accordingly.
54. [Budget Sensitive] As Budget 2025 decisions are yet to be confirmed, any cost savings as the result of a decision to disestablish the company will be transacted through the Budget 2025 Cabinet paper on 14 April 2025.
55. There are no financial implications associated with the strategy review.

### **Legislative Implications**

56. There are no legislative implications associated with the strategy review.
57. A disestablishment process will commence following the Cabinet approval. Upon disestablishment, the Company will be removed through an Order in Council under section 3AB(1) of the Public Finance Act 1989.

### **Impact Analysis**

#### ***Regulatory Impact Statement***

58. A regulatory impact statement is not required for this paper.

#### ***Climate Implications of Policy Assessment***

59. A climate implications of policy assessment is not required for this paper.

#### ***Population Implications***

60. This paper is not expected to have particular population impacts.

#### ***Human Rights***

61. This paper is not expected to have human rights impacts.



### **Use of External Resources**

62. The Department engaged Manaaki Whenua Landcare Research to write an insights paper “Analysis of the target pest species for Predator Free 2050” to provide an evidence-based analysis of opportunities, risks and costs of expanding the Target Species List to consider the addition of feral cats, mice and hedgehogs.

### **Consultation**

63. The Department received supportive feedback from the following agencies on the Cabinet paper and discussion document: Health New Zealand, Land Information New Zealand, Ministry for the Environment, Ministry for Primary Industries, Ministry of Health, Statistics New Zealand, and the Treasury.
64. The following agencies were given the opportunity to review the content of this paper and had no comment: Department of Internal Affairs, Environmental Protection Authority, Health New Zealand, Ministry of Business, Innovation and Employment, Ministry of Education, Ministry for Regulation, Ministry of Transport, Ministry for Women, Ministry of Foreign Affairs and Trade, Statistics New Zealand, and Te Puni Kōkiri.
65. Government consultation regarding the disestablishment of the Company was confined to the Department of Prime Minister and Cabinet and the Treasury. Treasury is supportive of the joint shareholding Ministers’ decision.
66. The Company has not been consulted on the disestablishment proposal due to its budget sensitive nature. I intend to inform the Company by contacting the Board chair after Cabinet decision, and will request that this decision remain confidential to the Company’s senior leadership until a public announcement post Budget day.

### **Communications**

67. I intend to initiate public consultation in coordination with a discussion document for the ANZBS implementation plan [ECO-24-MIN-0271]. The Department will release the discussion document (Appendix A) and ask for public feedback via its website.
68. Following Cabinet approval, I will communicate the decision to the Company. Following that, and resolution of any Budget matters, the Department will notify key partners through existing PF2050 networks. Reiterating government support for the PF2050 goal will be a key part of all communications.

### **Proactive Release**

69. The Department will proactively release this paper at an appropriate time in accordance with Cabinet Office Circular [CO (23) 4].

## Recommendations

The Minister of Conservation recommends that the Committee:

- 1 **Note** that in July 2016, Cabinet agreed to a national predator free goal. It seeks to eradicate three of the most harmful invasive animal predators (possums, mustelids, rats) from the country by 2050 [CAB-16-MIN-0335].

### *Public consultation on PF2050 Strategy*

- 2 **Authorise** the Minister of Conservation to release the attached discussion document (Appendix A) for public consultation on the future direction of the PF2050 strategy with PF2050 partners and stakeholders, Iwi/Māori, ENGOs and community groups.
- 3 **Note** that I will present a revised PF2050 strategy for Cabinet approval in late 2025.
- 4 **Note** that the Department of Conservation will update its PF2050 implementation plan to outline how partners will deliver the strategy, following the strategy review.

### *Disestablishment of Predator Free 2050 Limited*

- 5 **Agree** to disestablish Predator Free 2050 Limited in 2025/26.
- 6 **Authorise** the Minister of Conservation to direct the Department of Conservation to work with the Company to commence the disestablishment process, including transferring functions, management of existing contracts, and removing the Company from Schedule 4A of the Public Finance Act.
- 7 **Note** that as part of presenting the revised PF2050 strategy for Cabinet approval in late 2025 (see recommendation three), I will provide an update on the disestablishment of the company.
- 8 **Authorise** the Minister of Conservation to communicate any Cabinet decision to disestablish Predator Free 2050 Limited to the Chair of the Board ahead of Budget Day announcements to allow the process to begin.

### *Exploring investment models for PF2050*

- 9 s.9(2)(f)(iv)

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*Authorised for lodgement*

Hon Tama Potaka  
Minister of Conservation