How can the value of nature be better integrated into government decision-making?

Consultation on the scope of the Department of Conservation's Long-term Insights Briefing

Consultation period: 29 January to 26 February 2025



What is a Long-term Insights Briefing?

The Public Service Act 2020 requires government agencies to develop a Long-term Insights Briefing (LTIB) at least once every 3 years.

The purpose of an LTIB is to publish:

- information about medium- and long-term trends, risks and opportunities that affect or may affect Aotearoa New Zealand; and
- information and impartial analysis, including policy options for responding to these trends, risks and opportunities.

LTIBs are not government policy and must be developed independently of ministers. The subject matter of an LTIB is the sole discretion of chief executives.

Agencies are required to publicly consult both on the topic and draft LTIB. The Department of Conservation (DOC) intends to consult on the draft LTIB in mid-2025). The final LTIB will be tabled in the House of Representatives by the Minister of Conservation in late 2025.

DOC, in partnership with Land Information New Zealand, published its first LTIB in March 2023. The topic was 'How can we help biodiversity thrive through the innovative use of information and emerging technologies?' (Department of Conservation and Toitū Te Whenua Land Information New Zealand 2022).

We are seeking input on the proposed topic for our 2025 LTIB

DOC is seeking feedback on the proposed topic for its next LTIB.

Our proposed topic is 'How can the value of nature be better integrated into government decision-making?'. Investigating this will include answering the following questions:

- 1. What is the value of nature in Aotearoa New Zealand and how does this value change over time? What are the challenges and gaps in approaches used to date to understand and estimate the value of nature?
- 2. How is the value of nature currently incorporated into government decision-making?
- 3. What novel approaches can be undertaken to better incorporate the value of nature into government decision-making in Aotearoa New Zealand?

We welcome your feedback on this proposed topic, including your thoughts on the following areas.

Proposed topic and scope

- 1. Do you think the topic is a worthwhile one to explore?
- 2. Do you have suggestions and ideas on how a te ao Māori lens could be used to inform exploration of the topic?

Main issues and examples to be explored through the topic

- 1. Thinking about the proposed topic, what do you think are the main issues that we should explore?
- 2. Do you have ideas on the novel approaches or overseas examples that incorporate the value of nature into government policy decision-making that we should look at?

Other suggestions and feedback

1. Do you have anything else you would like to share with us on this subject?

How to provide feedback

You can send your feedback to us by email at LTIB@doc.govt.nz.

Your submission is public information

Please note, your submission may become publicly available. DOC may publish any information you submit and may identify you as the submitter, should it publish your submission. Therefore, please clearly indicate if your comments are commercially sensitive or should not be disclosed for another reason, or the reason why you should not be identified as the submitter. Any request for non-disclosure will be considered under the Official Information Act 1982.

Next steps

Your feedback will help inform the development of DOC's draft LTIB.

In mid-2025, we will undertake a second round of public consultation on the draft LTIB. If you are interested in being involved in this second stage of consultation, please let us know.

Our goal is for the Minister of Conservation to present the final LTIB to the House of Representatives by late 2025.

Our proposed LTIB topic: How can the value of nature be better integrated into government decision-making?

DOC's role

DOC was set up to manage land and natural and historic resources for conservation purposes under the Conservation Act 1987. DOC is responsible for managing indigenous biodiversity and public conservation land and waters.

This LTIB supports this mandate by exploring how DOC can better communicate the value of nature in Aotearoa New Zealand and how to use this in its advice to decision-makers. More sophisticated methods of valuing nature, as an input into the decision-making of government and others, could result in better outcomes for conservation.

The exploration in this LTIB will be limited to DOC's roles and responsibilities in managing indigenous biodiversity and conservation land.

What would this topic include?

The LTIB will outline why a better understanding of the value of nature is a critical component of effective government decision-making.

We propose that this topic would provide an overview of how nature is valued, including how it is valued over time. We will discuss the limitations of how nature is valued and how these limitations might be addressed or taken into account.

We will then discuss how the value of nature is currently incorporated into government decision-making (and government institutions) and the opportunities for this to be done more effectively, drawing on international examples.

We propose exploring novel approaches, such as defining nature as an 'infrastructure class'. We also propose exploring lessons that can be learned from using relatively new government institutions, such as incorporating climate change mitigations into decision-making through the Climate Change Response (Zero Carbon) Amendment Act 2019 and Climate Change Commission, and the 'investment approach'.

We will also explore frameworks and tools that aid decision-making, such as the Treasury's CBAx Tool, Living Standards Framework, multi-criteria analysis, cost-benefit analysis, regulatory impact analysis, and reporting requirements for businesses.

Why are we proposing this topic for our LTIB?

Nature underpins Aotearoa New Zealand's prosperity

Nature is not only valuable in its own right but it supports the economy and the wellbeing of New Zealanders.

Nature provides a range of 'ecosystem services' that fall into four main categories:

- Supporting (e.g. nutrient cycling, soil formation, primary production)
- · Provisioning (e.g. food, fresh water, wood, fibre, fuel)
- Regulating (e.g. climate regulation, flood and disease regulation, water purification)
- Cultural (aesthetic, spiritual, educational, recreational) (Millennium Ecosystem Assessment 2005).

These ecosystem services are essential for the survival and wellbeing of New Zealanders and underpin the country's prosperity, particularly as a land-based economy. Both direct and indirect values are

derived from nature. It provides the air we breathe and the water we drink and it underpins many of the biggest contributors to the economy, such as tourism and primary industries.

In te ao Māori, the land, soil and water are taonga (treasures) and connection to the environment is fundamental to a person's identity, with people relating to their environment through ancestral lineage (whakapapa). The environment is also important for the continuation of reo (language) and mātauranga (knowledge). Therefore, kaitiakitanga (guardianship) of the environment is an important part of te ao Māori.

The continued degradation of nature and biodiversity puts Aotearoa New Zealand's prosperity at risk

Despite the recognised importance of nature, the environment is in a state of decline (Ministry for the Environment and Stats NZ 2022), with more than 75% of indigenous species of reptiles, birds, bats and freshwater fish considered to be threatened with extinction or at risk of becoming threatened.

Failing to value nature leads to sub-optimal decision-making

The disconnect between how important nature is and its continuing decline suggests the value of nature could be better reflected in decision-making.

It is difficult to measure and put a value on nature and the benefits it provides. This, in turn, makes it difficult to articulate the benefits of choosing to invest in or conserve nature, or to choose policy settings that improve rather than worsen outcomes. By comparison, the benefits of development tend to be clearer, more immediate and more easily quantified.

Similarly, when the benefits of protecting nature are not able to be articulated, this work may not be prioritised, particularly in times of financial restraint. An increasing body of work (e.g. WWF and EY 2024) is suggesting that better returns would be likely on money spent on protecting nature now rather than restoring already damaged environments in the future. Therefore, better understanding the value of nature and how this changes over time could improve the benefits gained from investment in nature.

DOC aims to explore how nature and its value over time can be better incorporated into government decision-making. This would ensure the trade-offs made involving nature are properly understood and better inform decisions on where to invest energy and money for Aotearoa New Zealand to thrive in the future.

Previous work has identified opportunities for further analysis and discussion

The volume of work is increasing on how to value nature and the services it provides, such as its contributions to the economy and wellbeing of New Zealanders. The valuations that do exist suggest the value of nature is immense.

These valuations are an important first step in making better-informed decisions on how nature is used or invested in. However, many of these valuations have been research pieces and are not standard practice or being used to inform government decision-making. This links to Stats NZ's LTIB, which will present the case for better integrating economic and environmental metrics, and the emerging challenges and opportunities in this space.

To realise better outcomes for nature and better understand the trade-offs governments must make, the value of nature must be factored into decision-making. This would involve clear frameworks, institutions and tools, potentially like the roles that the Climate Change Response (Zero Carbon) Amendment Act 2019 and Climate Change Commission have played in the area of climate change. Equivalent frameworks or concrete targets are currently lacking to ensure the value of nature, such as indigenous biodiversity, is considered in decision-making.

This LTIB will look at how DOC can better integrate the value of nature into decision-making to ensure the impacts of decisions on nature and the value it offers are better understood.

We will review and build on the following work (this list is not exhaustive):

- The value of conservation: Benefits of conservation (Department of Conservation 2006).
- Total economic value of New Zealand's land-based ecosystems and their services (Patterson and Cole 2013).
- The nature of wellbeing: How nature's ecosystem services contribute to the wellbeing of New Zealand and New Zealanders (Department of Conservation 2015).
- Capturing natural capital in decision making: Updated stocktake of recent literature (New Zealand Institute of Economic Research report to the Treasury and Natural Resource Sector Agencies 2017).
- Wellbeing and natural capital: Understanding the sustainability and risk (New Zealand Institute of Economic Research report to the Treasury 2022).
- New Zealand's Environmental Reporting Series: Our land 2024 (Ministry for the Environment and Stats NZ 2024).

References

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