



Office of Hon Dr Nick Smith

MP for Nelson

Minister for the Environment

Minister for Climate Change Issues

Minister for ACC

19 NOV 2009

Dr Apirana Mahuika
Chair
Iwi Leadership Group

Tēnā koe e te rangitira

CLIMATE CHANGE / ETS RELATED ISSUES

It was good to meet with you on Monday to discuss climate change and emissions trading scheme (ETS) related issues. As I said in that meeting I strongly value the constructive role being played by the Iwi Leadership Group (ILG), and the opportunity to engage with you on issues around the introduction of the ETS. I would add that your personal input and mana plays a significant part in the Group's effectiveness.

I hope to see the current ETS Amendment Bill passed shortly. However, I expect there to be a need for ongoing dialogue between iwi and Ministers on ETS matters for some time to come. I would therefore like to propose we commit to quarterly meetings to discuss any issues that arise. I very much see the Crown and iwi as having an ongoing relationship in relation to the climate change and the ETS, and value the ILG's input into that.

I recognise that the ILG, and iwi more generally, continue to have concerns around the impact of the ETS on their commercial assets, especially in relation to pre-1990 forest land. I would reiterate that the Government intends to push hard for offsetting arrangements to be introduced in the international regime (and by extension the NZ ETS) from 2013. I would welcome the assistance of ILG delegates – and potentially kaumatua - at Copenhagen and if necessary, subsequent meetings, in making that push.

One of the changes to the legislation that I am pleased to outline relates to the addition of a Treaty Clause. That clause would place an explicit obligation on the Crown to consult with Maori on areas of delegated legislation and decision-making of most importance to Maori. Critical amongst those is the involvement of Maori in reviews of the ETS; there is no doubt that climate change and ETS policy will change going forward and the reviews of the ETS will be pivotal in determining future policy in this area.

A further area where I see potential for us to reach agreement on is in relation to afforestation initiatives on Crown owned land. I recognise that the ILG tabled an afforestation proposal recently, and appreciate the thought and effort that went into that proposal.

I intend to propose to my Cabinet colleagues that an afforestation mechanism that builds off the existing Crown Conservation Contract (CCC) facility in the Climate Change Response Act be established. Under this facility private investors are able to benefit from afforestation initiatives on conservation land. I see no reason why Crown land that is not included in the conservation estate would not be included in such a CCC arrangement. The one proviso I would have around this relates to SOE-land as discussed. I have directed officials to report to me on this matter. In particular I would like to suggest that my officials work with MRGE staff to develop a standardised contract structure for our joint consideration by February 2010.

I would emphasise that my offer to attempt to develop a general Crown-Iwi partnership for afforestation on conservation land is in addition to the offer we have made to Ngāi Tahu and the other four iwi that settled Treaty claims before the ETS legislation was first introduced and have issues over information disclosure.

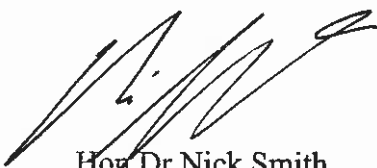
One further area under the ETS legislation that requires attention is around the establishment of a "person" to hold New Zealand units in relation to Crown Forest Licence land that is yet to be settled (section 72 of the Climate Change Response Act). I consider it appropriate that officials discuss this matter with the MRGE.

There are matters other than forestry which are important to iwi. You will note the changes in the Bill that relate to fishing; assistance to this industry will be increased and directed towards quota owners under the Quota Management System. Further, as discussed, I believe that making progress towards a National Policy Statement (NPS) on biodiversity is critical and I intend to ensure that representation in the processes leading towards such a NPS are as broad as is both sensible and feasible. It is important that iwi are appropriately represented in these processes. My current intent is to take a paper to Cabinet on the process going forward regarding a biodiversity NPS in late February of next year.

Finally, you will be aware of the progress that has been made around iwi representation in agricultural advisory and agricultural research initiatives. These sorts of initiatives are not always "headline" material but they are classic examples where the Crown and iwi can work together for our mutual benefit.

It is my intention to make announcements in the near future regarding discussions with the Maori Party. As more detail emerges, I will ensure that you are kept informed. Thank you again for the positive approach you and the ILG have brought to the table.

Nāku noa, nā



Hon Dr Nick Smith
Minister for Climate Change Issues