



## Office of Hon Dr Nick Smith

**MP for Nelson**

Minister for the Environment

Minister for Climate Change Issues

Minister for ACC

23 November 2009

Hon Tariana Turia &  
Hon Dr Pita Sharples  
Co Leaders, Māori Party

Tena koe Tariana and Pita

Thank you for your letter and the ongoing dialogue on the important issues for New Zealand and globally around the complex issues of climate change and the emissions trading scheme. Further to the exchange of letters between yourselves and the Prime Minister, I am pleased to confirm our agreement with this letter.

I acknowledge that the major issues for the Māori Party concerning climate change policy; the impacts on low income households, the protection of Papatuanuku, recognition of the Treaty of Waitangi and ensuring that iwi economic interests are not disproportionately disadvantaged.

We agreed in principle on a package of measures at first reading covering the following:

1. Measures to halve the price impact on households.
2. Enhancement of energy efficiency assistance.
3. Inclusion of a Treaty Clause in the ETS legislation.
4. Treaty settlements pre-ETS unknowingly disadvantaged.
5. Involvement in ongoing international negotiations.
6. Crown/iwi Partnerships for Afforestation Programmes.
7. Review of the Permanent Forest Sink Initiative.
8. Fishing Industry Allocation.
9. Iwi involvement in Agricultural Advisory Group.
10. National Policy Statement on Biodiversity.
11. Agricultural Greenhouse gas Emissions Research.
12. Broader Environmental policy.

Our officials have successfully advanced details of each of these measures as attached. I also attach letters to Ngai Tahu and the Iwi Leadership group on issues relevant to our agreement.

I can confirm National's support for the agreed SOP (attached) to be moved by the Māori party during the Committee Stages of the Bill recognising the Treaty of Waitangi. We confirm our understanding that the Maori Party will vote with the Government over our SOP, and on all votes on the 2<sup>nd</sup> reading, Committee Stages and 3<sup>rd</sup> reading including all procedural motions and SOP's advanced by other parties.

May I conclude by acknowledging the very significant and constructive role the Māori Party is playing in enabling New Zealand to make progress on this hugely challenging issue of climate change. New Zealand has been going round in circles in the debate over a pricing instrument to reduce pollution and encourage afforestation for over a decade, while our emissions have grown unabated.

Everyone agrees that the existing law is unworkable and cannot be implemented on 1<sup>st</sup> January 2010. Without your support we would have to further delay to beyond 2010. While it is inevitable that the amended ETS will need to be revised in response to ongoing international developments, new technologies and improved knowledge, it is your courage that is enabling New Zealand to make this important first step. Our grandchildren / moku-puna will be grateful that we had the good faith and mutual respect to make progress.

I look forward to working with you on our ongoing work programme to deliver on our agreement.

Heoi ano



Hon Nick Smith  
**Minister for Climate Change Issues**

**Attachments:**

1. Agreed measures to address Māori Party ETS concerns
2. Letter to Iwi Leadership Group.
3. Letter to Ngai Tahu
4. SOP for Treaty Clause