

**TE  
TUMU  
PAEROA**

Office of the Māori Trustee



# The Māori Trustee's submission on Te tātai utu o ngā tukunga ahuwhenua - Pricing agricultural emissions

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## Summary of Position

1. The Māori Trustee administers, as trustee or agent, about 88,000 hectares of Māori freehold land on behalf of approximately 100,000 individual Māori landowners. Te Tumu Paeroa is the organisation that supports the Māori Trustee to carry out her functions, roles and responsibilities. The primary objective of the Māori Trustee, is to protect, utilise and grow the assets of our Māori land owners now and for generations to come. Detailed information regarding the Māori Trustee and Te Tumu Paeroa is set out in Appendix A. Additional information can be found on Te Tumu Paeroa's website, [www.tetumupaeroa.co.nz](http://www.tetumupaeroa.co.nz).
2. The views expressed in this submission on the "Te tātai utu o ngā tukunga ahuwhehua - Pricing agricultural emissions" consultation document (Consultation Document) are those of the Māori Trustee as the single largest administrator of Māori land in Aotearoa. Necessarily, this means the views of the Māori Trustee may not be shared by some owners of the land impacted by the proposals. Further, and to labour the point, the Māori Trustee does not speak for or otherwise represent iwi, hapū or other holders of Māori land, some of whom are likely to submit on this Consultation Document.
3. The Māori Trustee has grave concerns regarding the proposed pricing of agricultural emissions and its likely impact on Māori landowners. The proposed system appears to be created using a western framework that does not account for the complexities and nuances experienced by whenua Māori and Māori landowners.

## Proposed system for pricing agricultural emissions disproportionately disadvantages Māori

4. The Māori Trustee does not consider that the proposed system for pricing agricultural emissions is equitable. The Consultation Document<sup>1</sup> itself states that the proposal is likely to disproportionately disadvantage Māori landowners and does not provide solutions to address the inequity. We also foresee this disadvantage occurring within the sheep and beef sector, which a significant proportion of whenua Māori is committed to. The pricing system does not take into account cultural considerations, even as a secondary factor.
5. There is a distinct difference between Māori freehold land and general land and whom it concerns. Māori freehold land has two main characteristics which make it a unique land tenure: its economic value and its cultural value. An interest in Māori freehold land is, like general land, an economic asset that may be used, traded, sold or transferred. However, unlike general land, Te Ture Whenua Māori Act 1993 sets strong rules to ensure that land remains in the hands of its owners, whānau and the hapū associated with it. Māori freehold land should not be confused with land owned by iwi, which is normally general land passed into ownership through the Treaty Settlement process. The Te Ture Whenua Māori Act 1993 recognises that Māori land is a taonga tuku iho of special significance to Māori passed on from generation to generation. An interest in Māori freehold land is also considered a whakapapa link for owners to their tūpuna, whānau, hapū and iwi, whether they reside on the whenua or not.
6. Māori land and Māori landowners will face specific challenges, not experienced by general land holders, as a result of the Consultation Document's proposals being implemented. This includes capturing small, fragmented, marginal, Māori land parcels, which individually would not be

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<sup>1</sup> [Pricing-agricultural-emissions-consultation-document.pdf \(environment.govt.nz\)](#), Pg 63



included within the system, however, by virtue of being leased to larger farming operations they will be subject to the proposal.

7. The proposed framework appears to be designed for currently economically viable farming entities, however, lifestyle blocks and certain farming types have been afforded an exemption because of their unique characteristics. The majority of Māori freehold land blocks share similar characteristics with lifestyle blocks than they do with larger farming enterprises. The Māori Trustee's portfolio<sup>2</sup> consists generally of land blocks that:
  - are small in size;
  - are not economically viable in their own right;
  - have multiple ownership interests;
  - are marginal land classes;
  - have minimal improvements and are largely un-occupied; and
  - are often leased to neighbouring properties at income levels that are barely able to cover costs.
8. The Māori Trustee considers that the main impact on farmers will be a reduction in profits. This will disproportionately impact Māori landowners as the increase in compliance costs to current and prospective lessees, will make marginal land blocks appear uneconomic and unattractive to lease. Further the lessee may simply relinquish the lease as a way of reducing livestock numbers and emissions in their farming enterprise.
9. Furthermore, we foresee the policy dis-incentivising development and intensification, which further perpetuates existing and historical inequities experienced by Māori land and Māori land owners.
10. There is also likely to be an impact on rural communities, of which Māori are over-represented, if there is an accelerated transition to forestry. Approximately 70% of the Māori Trustee's portfolio is classed as marginal land<sup>3</sup> with very few alternative farming uses, compared with more productive flat land. The proposal will likely make the planting of permanent forestry more economically viable, which will reduce the creation of sustainable jobs in rural communities. It may also reduce water yield from catchments<sup>4</sup>, impacting on environmental flows and aquifer re-charge.
11. Additionally, permanent forests only accumulate carbon credits until the forest is mature, meaning an income is only accrued for one generation of owners. This results in the alienation of Māori land to a permanent land use that derives no income for future generations.

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<sup>2</sup> The Māori Trustee administers approximately 88,000ha of land for over 1,760 entities with 1,953 actively managed lease agreements. The median area of a land block within our portfolio is 16.6ha and the mean area is 48ha.

<sup>3</sup> NZ LUC classes 6,7 and 8 make up 59,650 ha or 70% of the Māori Trustee's portfolio.

<sup>4</sup> Water use by managed stands of *Pinus radiata*, indigenous podocarp/hardwood forest, and improved pasture in the Central North Island of New Zealand: [https://scion-web.squid.cloud/data/assets/pdf\\_file/0007/59056/11\\_BEETS\\_Water\\_use.pdf](https://scion-web.squid.cloud/data/assets/pdf_file/0007/59056/11_BEETS_Water_use.pdf)



12. The Māori Trustee considers that to ensure that the system is equitable for Māori land and Māori land owners that an in depth analysis is undertaken by the Ministry for the Environment (MfE)/Ministry for Primary Industries (MPI), in collaboration with the Māori Trustee, to determine how the emissions pricing scheme will impact underdeveloped/marginal Māori land, within her portfolio.
13. Due to the unique characteristics, historical barriers, inability to change land use and the economic restrictions experienced by Māori land and its owners, it is proposed that a lead in time of ten years, and transitional support is provided. This could be aligned with the findings from the proposed post-implementation review in 2030. A reduced levy would also assist as part of this transitional support.
14. The Māori Trustee also supports the He Waka Eke Noa Partnership's (the Partnership) proposed dedicated fund for Māori landowners to support opportunities to meet their needs. The fund should provide assistance with further research, recognition and use of Mātauranga based methods to reduce emissions.

### Carbon sequestration

15. The Māori Trustee does not support the Government's proposed approach for recognising carbon sequestration. The reduction in vegetation categories being recognised in the Government's proposals will disproportionately affect Māori land and Māori landowners, due to the land cover characteristics of whenua Māori.
16. The Māori Trustee supports recognised vegetation categories in the Partnership's proposal and considers that the Government should adopt these categories as part of the finalised scheme. This would assist in providing some recognition for the ecosystem services that Māori land contributes to Aotearoa through acting as a carbon sink.
17. The Māori Trustee also considers that the criteria should be broadened to allow for the accounting of sequestration in existing native forests not already at steady state. This is particularly important to Māori land owners, where the majority of land has natural forest cover<sup>5</sup>. This will help improve equity and the impact of the pricing system.
18. The Māori Trustee considers that carbon sequestration will need to be recognised through a simple accounting system. The system would need to ensure that landowners provide their consent to any vegetation entered into the system. The proposed contractual payments will add additional administration costs through the contract and application process, which does not take appropriate account of leased land. In particular there is a need to recognise sequestration at the higher rates proposed by the Partnership of 1.83t CO<sub>2</sub>/ha/year compared with 0.5t CO<sub>2</sub>/ha/year in the Consultation Document. The lower return would not be enough to cover the costs of managing weeds and pests or the additional administration costs in recording the carbon sequestration.

### Reducing administrative burden of the proposal

19. The Māori Trustee supports the business owner of a farm having the responsibility for accounting for their farm's emissions. One of the key issues is that a large number of blocks

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<sup>5</sup> Of the 572,487 ha of Māori land 42% is in natural forest cf 12% of general title land. Of the Māori Trustee's portfolio 32% is in natural forest.



administered by the Māori Trustee are leased to neighbouring farmers. There will need to be clear contracts with the lessees, to align with the reporting periods, which will add considerable administrative costs for the Māori Trustee. The business owner/ lessee will not be able to claim the carbon credits, unless this is agreed with the landowner.

20. The Māori Trustee supports the proposal to work with Tiriti partners<sup>6</sup> to understand ways to reduce the administrative burden of agricultural emissions pricing on Māori agribusiness.
21. The Māori Trustee supports the proposal to be able to form collectives to reduce the administrative burden. She would like to be engaged in discussions about how this will occur. She supports developing a reporting and payment systems for collectives, that is beneficial for Māori land owners. The use of collectives is likely to help reduce administration costs, as long as sequestration can be accounted for and traded using a simple system.

### Māori land and the Emissions Trading Scheme

22. The primary objective of the Māori Trustee, is to protect, utilise and grow the assets of our Māori land owners now and for generations to come. If Māori land was to be entered into the Emissions Trading Scheme (ETS), future generations will be committed to a permanent land use with a deforestation contingent liability, from which an income is only accrued for one generation of owners. The complexities and long-term liabilities associated with entering Māori land into the ETS is further complicated by ownership structures and required permissions.
23. Whilst the Māori Trustee understands the reasoning behind including new categories of sequestration in the ETS, for the reasons already highlighted above, she does not support this. It is considered that the ETS was designed under a western framework and is suited for large-scale forest owners. The preferred option would be to use the simplified sequestration system as proposed by the Partnership and include all native vegetation.
24. The Māori Trustee agrees with the statement in the Consultation Document that “certain types of vegetation have the potential to provide real and additional carbon and other benefits for Aotearoa New Zealand”<sup>7</sup>, and that as a result landowners should be adequately compensated for their contributions. The Māori Trustee is supportive of this being addressed through the pricing scheme.

### Specific Submissions

25. The specific submissions on the Consultation Document are set out below. It contains the Māori Trustee’s specific responses to the proposal questions in the Consultation Document.
26. The Māori Trustee welcomes the opportunity to discuss her submission with Ministry representatives, beyond the consultation period. She wants to be included in any targeted consultation and welcomes the opportunity for the policy to be tested on whenua Māori administered by Te Tumu Paeroa.

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<sup>6</sup> This assumes Tiriti partners are those that have responsibilities and obligations to whenua Māori under the Te Ture Whenua Māori Act 1993.

<sup>7</sup> [Pricing-agricultural-emissions-consultation-document.pdf \(environment.govt.nz\), Pg. 47](#)



## Specific Submissions

### Submission table

Question	Answer	Reason for answer
1. Do you think modifications are required to the proposed farm-level levy system to ensure it delivers sufficient reductions in gross emissions from the agriculture sector? Please explain.	Yes	<p>The Māori Trustee considers that modifications are required to the proposed farm-level levy system in the form of:</p> <ul style="list-style-type: none"> <li>• broadening the recognition of vegetation sequestration categories to reduce the economic cost to farmers and provision of an equitable system; and</li> <li>• industry representatives having a greater input into the price setting process.</li> </ul> <p>The Māori Trustee supports:</p> <ul style="list-style-type: none"> <li>• a simple farm levy system to be introduced at first with a more detailed reporting system to follow, including slope and Land Use Classification.</li> </ul>
2. Are tradeable methane quotas an option the Government should consider further in the future? Why?	No	The Māori Trustee considers that tradeable methane quotas will add complexity to the system and that the costs of implementation may outweigh the benefits. However, if they were considered to be utilised in the future, a full analysis would need to be undertaken prior to implementation.
3. Which option do you prefer for pricing agricultural emissions by 2025 and why? (a) A farm-level levy system including fertiliser? (b) A farm-level levy system and fertiliser in the New Zealand Emissions Trading Scheme (NZ ETS) (c) A processor-level NZ ETS.	Support option (a)	<p>The Māori Trustee supports Option (a): “a farm levy system that includes fertiliser”, as this would allow individual farms to have control over their emissions profile and gain recognition for emission reducing actions.</p> <p>Introducing a processor-level levy system, followed by a farm level system would be an inefficient use of resources both at government and farm level. The Māori Trustee’s preference is for a single, farm-level levy system to be fully developed and implemented, even if this requires an extension to timeframes.</p> <p>A processor-level levy system also creates inequities for certain sectors of the primary industry, and it would not incentivise or recognise changes in behaviour.</p>



<p>4. Do you support the proposed approach for reporting of emissions? Why, and what improvements should be considered?</p>	<p>Yes</p>	<p>The Māori Trustee supports the:</p> <ul style="list-style-type: none"> <li>• business owner of a farm having the responsibility for accounting for the emissions, as they are best placed to alter their emissions profile;</li> <li>• use of a single centralised calculator in the proposed system to provide reassurance to farmers that a consistent methodology is applied to emissions calculations;</li> <li>• development of a more detailed reporting system as it accounts for individual recognition of emission reduction actions;</li> <li>• alignment with farmers financial reporting years to simplify administration; and</li> <li>• split-gas levy approach, because splitting short and long lived gases creates a more targeted system to achieve the required emission reduction targets</li> </ul> <p>The reporting of emissions could also be improved through:</p> <ul style="list-style-type: none"> <li>• providing transitional arrangements for leased land, particularly where lease agreement expiry dates do not align with the financial reporting dates of the lessee;</li> <li>• developing a reporting and payment systems for collectives, that is beneficial for Māori land owners;</li> <li>• the use of collectives, which will help reduce administration costs, as long as sequestration can be accounted for and traded using a simple system.</li> </ul> <p>The Māori Trustee envisages there will be considerable administrative costs associated with leased land and reporting periods. The proposed data requirements seek full lease agreements, which are commercially sensitive documents. There should only be a requirement to provide pertinent details.</p>
<p>5. Do you support the proposed approach to setting levy prices? Why, and what improvements should be considered?</p>	<p>No</p>	<p>The Māori Trustee does not support Ministers setting the price for the long-lived gas and biogenic methane levies, and only considering advice from the Commission which will be dictated by progression towards emissions targets. This approach will not provide an equitable opportunity for primary sector participants and Māori landowners to have a voice and be effective participants within the system.</p> <p>The Māori Trustee is in support of the Partnership’s proposed pricing criteria. This criteria allowed iwi, Māori landowners and the agricultural sector detailed criteria to utilise in setting the price, taking into account social, cultural and economic factors and involving key participants within the sectors.</p>





		<p>The decision on how often pricing will be updated should be subject to further discussions and analysis being undertaken by the primary sector participants and should include diverse Māori representation. The proposed pricing system does not take into account cultural considerations even as a secondary factor.</p> <p>The Māori Trustee is in support of the Partnership's proposal to establish an oversight board, however, the selection of the Independent Māori Board needs to have fair representation from Māori landowners and Māori agribusiness selected through a robust process.</p>
6. Do you support the proposed approach to revenue recycling? Why, and what improvements should be considered?	Yes	<p>The Māori Trustee supports the revenue recycling approach, conditional on a representative advisory body developing the strategy and ensuring all levies collected stay within the sectors. It is important that all Māori landowners, farmers, and growers benefit equitably from the levies.</p> <p>Money raised from the levies should be used to provide incentives to change farming practices and to provide transitional financial support.</p> <p>Māori land and Māori landowners face specific challenges, such as small fragmented marginal land parcels which individually would not be included within the system. However, due to the majority of whenua Māori being leased they will be captured within the system as part of larger farming operations. Therefore, the Māori Trustee is in support of the Partnership's proposed dedicated fund for Māori landowners. The fund will support opportunities for Māori landowners and should provide assistance with further research, recognition and use of Mātauranga based methods to reduce emissions.</p> <p>The Consultation Document acknowledges that the sheep and beef industry will be disproportionately negatively impacted through implementing the levy system. The Māori Trustee considers that this disproportionate impact should be acknowledged through providing a greater level of financial support to localities that have a high concentration of contiguous sheep and beef farming or where there are fragmented landholdings. There should also be some administrative support provided to participants and/or land administrators upon entering the system.</p>
7. Do you support the proposed approach for incentive payments to encourage additional	No	<p>The Māori Trustee does not support the proposed approach. She supports the He Waka Eke Noa Partnership's recommendation for incentive payments as it provides greater simplicity and certainty for how and when incentive payments will be received.</p>



<p>emissions reductions? Why, and what improvements should be considered?</p>		<p>Money raised should be used to provide incentives to change farming practices and enable farmers to take up new technologies. It is very important to ensure that incentive payments in any system are linked to landownership to ensure that leased land situations are accounted for.</p>
<p>8. Do you support the proposed approach for recognising carbon sequestration from riparian plantings and management of indigenous vegetation, both in the short and long term? Why, and what improvements should be considered?</p>	<p>No</p>	<p>The Māori Trustee does not support the Government’s proposed approach for recognising carbon sequestration. The reduction in vegetation categories being recognised by the Government’s proposals will disproportionately affect Māori land and Māori landowners, due to the land cover characteristics of whenua Māori.</p> <p>The Māori Trustee does support the vegetation categories recognised in the Partnership’s proposal and considers that the Government should adopt these categories as part of the finalised scheme. This would assist in providing some recognition for the ecosystem services that Māori land contributes to Aotearoa through acting as a carbon sink. In addition the Government should recognise sequestration at the higher rates proposed by the Partnership of 1.83t CO<sub>2</sub>/ha/year compared with 0.5t CO<sub>2</sub>/ha/year in the Consultation Document. Reducing the rates will not cover the costs of managing weeds and pests, or the additional administration costs in recording the carbon sequestration.</p> <p>The Māori Trustee also submits that the criteria should be broadened to allow for the accounting of sequestration in existing native forests not already at steady state. This is particularly important to Māori land owners, where the majority of their land is in natural forest cover<sup>8</sup>. This is particularly important to Māori land owners, where the majority of land has natural forest cover. This will help improve equity and the impact of the pricing system</p> <p>The Māori Trustee considers that there needs to be a simple accounting system to recognise carbon sequestration to help minimise administration costs. The proposed contractual payments will add additional administration costs through the contract and application process, which does not take into account leased land. There will need to be clear contracts with the lessees, to align with the reporting periods, which will add considerable administrative costs for the Māori Trustee. The business owner/ lessee will not be able to claim the carbon credits, unless this is agreed with the landowner.</p>

<sup>8</sup> The Māori Trustees portfolio has 32% natural forest cover.



		The Māori Trustee reiterates her points made in paragraph 22-24 regarding the transition to the ETS and its effectiveness on Māori land and landowners.
9. Do you support the introduction of an interim processor-level levy in 2025 if the farm-level system is not ready? If not, what alternative would you propose to ensure agricultural emissions pricing starts in 2025?	No	The Māori Trustee does not support the introduction of an interim processor-level levy in 2025. It would be best to delay implementation or have a staged approach if the preferred system is not ready, otherwise there will be added complexity and costs on implementation.
10. Do you think the proposed system for pricing agricultural emissions is equitable, both within the agriculture sector and across other sectors, and across New Zealand generally? Why, and what changes to the system would be required to make it equitable?	No	<p>The Māori Trustee does not consider that the proposed system for pricing agricultural emissions is equitable. The Consultation Document<sup>9</sup> clearly states that the proposal is likely to disproportionately disadvantage Māori landowners. We also foresee this disadvantage occurring within the sheep and beef sector, which makes up a significant proportion of whenua Māori.</p> <p>Additionally, there is risk that if the methane price is set by Ministers, not the market, the price could escalate which will have a bigger impact on Māori landowners and sheep and beef farmers. Further, if the methane price increased substantially, it would likely trigger an overreaction in a reduction in of livestock numbers for lower output farming operations creating extreme hardships. This could trigger land use changes, decreased economic activity in rural areas and the relinquishing of leases.</p> <p>The Māori Trustee considers that to ensure an equitable system is developed, delaying implementation on whenua Māori by ten years or establishing a reduced levy could assist with overcoming the disproportional impacts on Māori landowners. This could be aligned with the findings from the proposed post-implementation review in 2030.</p>
11. In principle, do you think the agricultural sector should pay for any shortfall in its emissions reductions? If so, do you think using levy revenue would be an appropriate mechanism for this?	No	<p>The Māori Trustee considers that if there are shortfalls in its emissions reductions then the design of the system is inadequate, and changes are required.</p> <p>The Māori Trustee does not support using levy revenue to pay for shortfalls. Levy revenue should only be used for transitional support and to provide incentives to change practices to reduce emissions.</p>

<sup>9</sup> [Pricing-agricultural-emissions-consultation-document.pdf \(environment.govt.nz\) Pg 63](#)



<p>12. What impacts or implications do you foresee as a result of each of the Government's proposals in the short and the long term?</p>	<p>NA</p>	<p>The Māori Trustee considers that the main impact on farmers will be a reduction in profits of 15-20%. This will disproportionately impact Māori landowners as the increase in compliance costs to current and prospective lessees, will make marginal land blocks appear uneconomic and unattractive to lease. This may result in the lessee simply relinquishing the lease as a way of reducing livestock numbers and emissions in their farming enterprise.</p> <p>Furthermore, we foresee the policy dis-incentivising development and intensification, which further perpetuates existing and historical inequities experienced by Māori land and Māori land owners.</p> <p>There is also likely to be an impact on rural communities if there is an accelerated transition to forestry. Approximately 70% of the Māori Trustee's portfolio is classed as marginal land<sup>10</sup> with very few alternative farming uses. The proposal would unintentionally make the planting of permanent forestry more economically viable. The planting of permanent forests will reduce the creation of sustainable jobs in rural communities. The increase of forestry landuse in catchments could also potentially reduce water yields impacting on environmental flows and aquifer re-charge.</p> <p>Additionally, permanent forests only accumulate carbon credits until the forest is mature, meaning an income is only accrued for one generation of owners. This results in the alienation of Māori land to a permanent land use that derives no income for future generations.</p>
<p>13. What steps should the Crown be taking to protect relevant iwi and Māori interests, in line with Te Tiriti o Waitangi? How should the Crown support Māori landowners, farmers and growers in a pricing system?</p>	<p>NA</p>	<p>The Māori Trustee considers that to ensure that the system is equitable for Māori land and Māori land owners that an in depth analysis is undertaken by the MfE/MPI, in collaboration with the Māori Trustee, to determine how the emissions pricing scheme will impact underdeveloped/marginal Māori land, within her portfolio.</p> <p>The Māori Trustee considers delayed implementation on whenua Māori by ten years would protect Māori interests and acknowledge historical barriers placed on whenua Māori. The delayed implementation would allow Māori landowners to adapt to the impacts of the system.</p> <p>Transitional support should include:</p> <ul style="list-style-type: none"> <li>• training and administrative support to calculate the levy both for Māori landowners and Māori land administrators;</li> </ul>

<sup>10</sup> NZ LUC classes 6,7 and 8.



		<ul style="list-style-type: none"> <li>• legal support for whenua administrators particularly around leasing;</li> <li>• regional emissions advice free of charge; and</li> <li>• administrative support in forming collectives and their ongoing reporting.</li> </ul> <p>Additionally, other Crown support could include:</p> <ul style="list-style-type: none"> <li>• recognition of carbon sequestration in existing native forests;</li> <li>• provision of financial support to establish native revegetation</li> <li>• increasing Ngā Whenua Rāhui funding; and</li> <li>• recognition of carbon sequestration on whenua that is not linked to a farming enterprise and falls outside the ETS.</li> </ul>
14. Do you support the proposed approach for verification, compliance and enforcement? Why, and what improvements should be considered?	Partially	The Māori Trustee supports third party verification and considers that the Government should carry this cost.
15. Do you have any other priority issues that you would like to share on the Government's proposals for addressing agricultural emissions?	Yes	<p>The Māori Trustee considers there should be:</p> <ul style="list-style-type: none"> <li>• further support to establish or protect native vegetation on all farms, and particularly whenua Māori;</li> <li>• direct incentives and additional funding for Ngā Whenua Rāhui, and</li> <li>• the development of a scheme to recognise biodiversity credits, that is designed in partnership with Māori to ensure that tikanga values and mātauranga Māori form the korowai of the scheme.</li> </ul> <p>However, as pointed out in paragraphs 3-14 above, the Māori Trustee has serious concerns about how the proposal will impact whenua Māori and Māori land owners. The proposed system appears to be created using a western framework that does not account for the complexities and nuances experienced by whenua Māori and Māori landowners.</p>



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## Conclusion

27. The Māori Trustee looks forward to discussing this submission with Ministry officials.

28. Should you have any questions or queries, please feel free to contact [REDACTED]

**Dr Charlotte Severne**

Māori Trustee



## Appendices

### Appendix A – The Māori Trustee and Te Tumu Paeroa

#### Who We Are

29. The Māori Trustee is appointed by the Minister for Māori Development under the Māori Trustee Act 1953. The role of the Māori Trustee, is to provide accurate and timely administration and management of whenua and other client assets in compliance with the principles and obligations of trusteeship and agency, and in accordance with the Māori Trustee Act 1953, Trusts Act 2019, Te Ture Whenua Māori Act 1993 and other legislation. The current Māori Trustee, Dr Charlotte Severne, was appointed for a three-year term in September 2018 and was re-appointed for a five-year term in October 2021.
30. Te Tumu Paeroa is the organisation that supports the Māori Trustee to undertake her functions, duties and responsibilities.
31. The Māori Trustee administers around 88,000 hectares of Māori freehold land, as well as general land and other interests and investments, on behalf of approximately 100,000 Māori Land owners.
32. A primary objective of The Māori Trustee, is to protect, utilise and grow the assets of our Māori land owners. The organisation provides land administration and professional trustee and agency services to one third of all Māori land trusts (over 1,700 trusts), as well as targeted development and sector-specific expertise. The organisation is involved in the management of a number of Māori enterprises and development projects.
33. The Māori Trustee currently employs 124 staff across five offices throughout New Zealand, with the Māori Trustee located in Te Whanganui-a-Tara. Our organisation is made up of, but not limited to, trust and property management, law, client services, and other specialist teams. Our employees are focussed on protecting and enhancing the whenua Māori that we have the privilege to administer on behalf of its landowners and their tipuna.
34. Te Tumu Paeroa is unique, in that it is the only nation-wide organisation that manages significant tranches of Māori land and assets on behalf of Māori landowners.

#### Our Vision and Priorities

35. Our vision is: *Ko Te Tumu Paeroa tēnei, te tauawhi nei, te taunaki nei, te tiaki nei ngā whenua Māori mō naianeī, mō āpōpō hoki. Ensuring Māori land is protected and enhanced, now and for generations to come.*

Our vision requires a careful balance between protection of the whenua and taiao and enhancement of the whenua through a range of pathways, including commercial development.

36. Our purpose is to be a dedicated professional trustee service for Māori.



37. Our strategic priorities assist us to deliver on our vision and purpose:
- Ensuring consistent delivery of professional trustee services.
  - Building trust and confidence across all of our engagements.
  - Demonstrating leadership in meeting new challenges to governance and administration of whenua Māori.
38. Our responsibility as trustee in the context of the Te tātai utu o ngā tukunga ahuwhehua - Pricing agricultural emissions” Consultation Document, is to ensure that the voices of the whenua that we are responsible for, and those landowners who whakapapa to that whenua, are heard and understood.

## Our Portfolio

39. Our portfolio currently<sup>11</sup> consists of the following:
- Number of trusts and other entities under administration – 1,746.
  - Number of hectares under management – 88,000.
  - Number of owner accounts maintained – 102,502.
  - Number of ownership interests – 258,469.
  - Number of leases administered – 1,732.
  - Client funds under management (market value) – \$ 130.1 million.
  - Māori Trustee equity – \$ 170.7 million.

## Our Mahi

40. The Māori Trustee has the responsibility to ensure that the best interests and outcomes for Māori land owners are advanced by Te Tumu Paeroa’s mahi.
41. Our core services are:
- Administering trusts as responsible trustee, custodian trustee, and agent
  - Convening, running and recording proceedings of meetings of beneficial owners
  - Responding to requests for information
  - Consulting with advisory trustees and owners
  - Leasing property on behalf of owners and administering leases
  - Collecting rent and managing arrears and bad debts
  - Managing contracts for service entered into by trusts
  - Managing and investing cash assets in the Common Fund
  - Reporting to beneficial owners
  - Acquiring and paying for goods and services
  - Preparing financial statements and annual tax returns
  - Keeping records for trusts we administer

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<sup>11</sup> The Māori Trustee Annual Report 2022





- m. Making trust distributions to owners
- n. Administering grants and scholarships
- o. Making applications to the Māori Land Court
- p. Reviewing land use and considering, where appropriate, alternative land use options
- q. Developing and enhancing property and land management including Asset Management and Farm Environment Plans
- r. Managing and providing support services for the General Purposes Fund

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