

The Māori Trustee's submission on Strengthening national direction on renewable electricity generation and electricity transmission

June 2023

Te Tumu Paeroa Office of the Māori Trustee

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Electricity RMA Project Team, MBIE Energy & Resource Markets Ministry of Business, Innovation and Employment 25 The Terrace Wellington 6011

Tēnā koe

Strengthening national direction on renewable electricity generation and electricity transmission – Submission by the Māori Trustee

- The Māori Trustee administers, as trustee or agent, approximately 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. Detailed information regarding the Māori Trustee and Te Tumu Paeroa is set out in Appendix A to this letter. Additional information can be found on Te Tumu Paeroa's website, www.tetumupaeroa.co.nz.
- 2. The views expressed in this letter represent the Māori Trustee's position as the single largest trustee and agent of Māori land in Aotearoa. However, given the sheer scale and varied nature of the land assets within the Māori Trustee's portfolio, the Māori Trustee's views may not always be shared by all owners of lands she administers.
- 3. The Māori Trustee has read and acknowledges the Privacy Statement.
- 4. The Māori Trustee would welcome the opportunity to discuss matters raised within this letter with Ministry of Business, Innovation and Employment officials.

Recognising and providing for Māori interests in relation to REG and ETN activities

- 5. The Māori Trustee supports the recognition of some Māori interests in the proposed national direction documents. However, she considers that the current drafting needs to go further in recognising all Māori rights, interests, responsibilities and aspirations within the energy sector. For example, the proposed national direction could be improved through having specific objectives and policies that expressly give effect to te Tiriti o Waitangi and enable Renewable Electricity generation (REG) and Electricity Transmission Network (ETN) activities that support Māori landowners to realise their aspirations.
- 6. The Māori Trustee considers that the current drafting of the National Policy Statement for Renewable Electricity Generation (NPS-REG), which directs local authorities to support Māori aspirations through the enablement of small and community-scale REG activities, to be unnecessarily limiting and may prevent some beneficial REG activities from being carried out on whenua Māori due to the activities not meeting the scale or definition requirements. The Māori



Trustee therefore considers that local authorities should enable all REG activities that support Māori landowners to realise their aspirations.

- 7. The Māori Trustee also supports the policy' intent to recognise and provide for early and meaningful engagement opportunities with regards to Māori interests in REG and ETN activities. However, the Māori Trustee notes that the definition of tangata whenua in the Resource Management Act 1991 (RMA) is highly problematic in its express recognition only of iwi and hapū as tangata whenua excluding other Māori interests from being engaged with, such as Māori landowners. As REG and ETN activities are likely to be carried out on and impact whenua Māori, engagement with Māori landowners needs to mandatory.
- 8. Similarly, the Māori Trustee is concerned that the current drafting of clauses 3.5(1)(b) of the NPS-REG and 3.4(1)(b) of the National Policy Statement on Electricity Transmission (NPS-ET) does not expressly provide for sites of significance to all Māori. The Māori Trustee therefore considers that all references to tangata whenua should be replaced by the more inclusive term of 'Māori' which better aligns with the intent of s 6(e) of the RMA.
- 9. In addition, a guidance note should be issued for clause 3.5(1)(c) of the NPS-REG to clarify to councils what 'supporting' and 'enabling' means in relation to recognising and providing for Māori aspirations through REG activities e.g. funding, advice, feasibility, resources etc. This will be critical for ensuring a consistent application across the motu.

Complexities and nuances of whenua Māori

- 10. The Māori Trustee is concerned that the complexities and nuances of whenua Māori and the challenges that Māori landowners experience are not well accounted for within the proposed national direction. As stated above, REG and ETN activities are likely to be carried out on and impact whenua Māori. To ensure equitable outcomes, the following challenges that whenua Māori and Māori landowners often experience¹ need to be understood and accounted for within the policies to avoid any unintended consequences:
 - whenua Māori is generally small in size;
 - whenua Māori is often not economically viable in its own right;
 - whenua Māori has multiple ownership interests;
 - whenua Māori has marginal land classes;
 - whenua Māori tends to have minimal improvements and is largely unoccupied;
 - whenua Māori is often leased to neighbouring properties at income levels that are barely able to cover costs;
 - the cultural, spiritual and whakapapa connections Māori landowners have with their whenua is unique; and
 - inconsistent and non-existent planning directives in policies has led to Māori land to be consistently under-developed.

¹ These experiences are based on the land that the Māori Trustee administers in her portfolio (currently 1 in 3 of all Māori land trusts). Refer to Appendix A for further portfolio details. **tetumupaeroa.co.nz**



11. The Māori Trustee considers that the renewable energy area could provide significant opportunities to advance Māori land and Aotearoa's emissions reduction targets if partnerships, funding and compensation were readily available.

Managing effects on the environment

- 12. The Māori Trustee does not support the use of an 'operational need' test for ETN and REG assets to be located in areas with significant environmental values, particularly on Māori land. The Māori Trustee is concerned that the use of such a test will likely result in the degradation of areas with significant environmental values, including sites of significance to Māori, for purely economic reasons. The Māori Trustee acknowledges that there may be instances where ETN and REG assets will need to be located in these areas however, a 'functional need' test, though also not perfect, will be available for these cases.
- 13. The Māori Trustee is also concerned that there are currently no gazetted offsetting and compensation principles set out in other National Policy Statements. This will mean councils will determine whether or not any other nationally or internationally principles are relevant in their decision-making. This will likely lead to an inconsistent and ad-hoc approach. The Māori Trustee therefore recommends that principles drafted in the proposed National Policy Statement for Indigenous Biodiversity 2022 (NPS-IB)², with amendments suggested in the Māori Trustee's submission on the NPS-IB to ensure Māori values are provided for, should be appendicised in both the NPS-REG and NPS-ET.
- 14. Further, the Māori Trustee considers the directive of councils to 'have regard to' offsetting and compensation principles is weak. The directive should be amended to require councils to 'give effect to', 'comply with' or 'achieve' these principles.
- 15. The Māori Trustee is also concerned that these national instruments continue to be progressed, seemingly, in isolation from other national direction. The Māori Trustee notes that the National Policy Statement for Indigenous Biodiversity is yet to be gazetted and will likely have overlapping interests with both the NPS-REG and NPS-ET.

Climate change

16. The Māori Trustee notes that the update to the NPS-REG and NPS-ET is largely driven by climate change and the need to meet emissions reductions targets and emissions budgets. However, both proposed national instruments lack a clear climate change related policy. This needs to be changed to ensure that the drafted objectives are supported by relevant climate change policies.

² <u>NPSIB-exposure-draft.pdf (environment.govt.nz)</u> **tetumupaeroa.co.nz**



17. Should you have any questions or queries, please feel free to contact the Māori Trustee's Executive Assistant, contacted on

Ngā manaakitanga

Dr Charlotte Severne

Māori Trustee



Appendix A – The Māori Trustee and Te Tumu Paeroa

Who We Are

The Māori Trustee is appointed by the Minister for Māori Development under the Māori Trustee Act 1953. One of the principal roles of the Māori Trustee is to administer as trustee or agent whenua Māori and other client assets in accordance with the principles and obligations of trusteeship and agency, and relevant legislation including the Māori Trustee Act 1953, Trusts Act 2019 and Te Ture Whenua Māori Act 1993. 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.

Te Tumu Paeroa is the organisation that supports the Māori Trustee to undertake her statutory and other legal functions, duties and responsibilities.

The Māori Trustee administers approximately 88,000 hectares of Māori freehold land, as well as general land and other interests and investments, on behalf of over 100,000 Māori landowners.

A primary objective of The Māori Trustee, is to protect, utilise and grow the assets of our Māori landowners. The organisation provides land administration and professional trustee services to one third of all Māori land trusts (over 1700 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.

The Māori Trustee currently employs approximately 124 staff across five offices throughout New Zealand, with the Māori Trustee based in Te Whanganui-a-Tara.

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

Our vision is: Ko Te Tumu Paeroa tēnei, te tauawhi nei, te taunaki nei, te tiaki nei ngā whenua Māori mō naianei, mō āpōpō hoki. Ensuring whenua Māori 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.

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

Our strategic priorities assist us to deliver on our vision and purpose:

- a. Ensuring consistent delivery of professional trustee services
- b. Building trust and confidence across all of our engagements.
- c. Demonstrating leadership in meeting new challenges to governance and administration of whenua Māori.



Our responsibility as trustee in the context of Strengthening national direction on renewable electricity generation and electricity transmission, 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

Our portfolio currently³ consists of the following:

- a. Number of trusts and other entities under administration 1746.
- b. Number of hectares under management 88,000.
- c. Number of owner accounts maintained 102,502.
- d. Number of ownership interests 258,469.
- e. Number of leases administered 1,732.
- f. Client funds under management (market value) \$ 130.1 million.
- g. Māori Trustee equity \$ 170.7 million.

Our Mahi

The Māori Trustee has the responsibility to ensure that the best interests and outcomes for Māori landowners are advanced by Te Tumu Paeroa's mahi.

Our core services are:

- h. Administration of trusts where the Māori Trustee is the responsible trustee.
- i. Agreed trustee services where the Māori trustee is an agent or custodian trustee.
- j. Keeping records for trusts we administer.
- k. Managing finances and preparing financial statements.
- I. Consulting with and convening meetings for advisory trustees.
- m. Consulting with and convening meetings for beneficial owners.
- n. Reporting to responsible trustees, advisory trustees and beneficial owners.
- o. Administering trust distributions.
- p. Filing applications with the Māori Land Court and attending associated hearings.
- q. Property management, including leases and asset maintenance.
- r. Reviewing land use and considering, where appropriate, alternative land use options.
- s. Developing and enhancing land and assets; including the production and maintenance of Asset Management Plans and Farm Environment Plans.

³ The Māori Trustee Annual Report 2022 tetumupaeroa.co.nz



- t. Responding to requests for information.
- u. Managing and investing cash assets in the Common Fund.
- v. Managing and providing support services for the General Purposes Fund.
- w. Acquiring and paying for goods and services.