FRESHWATER IWI LEADERS GROUP

FRESHWATER AND RESOURCE MANAGEMENT REFORMS POSITION PAPER

21 FEBRUARY 2021

General Comments

The purpose of this position paper is to assist discussions between members of Te Tai Kaha (the **Collective**), and subsequent discussions with the Crown, in the content of the current Resource Management and Freshwater Rights and Interests reform work programmes. As agreed between members of the Collective, this paper is in summary form. The Freshwater ILG's position is that the Freshwater and Resource Management reforms are inter-connected and, on that basis, this position paper addresses both kaupapa.

This position paper is structured as follows:1

- General comments
- Governance
- Resource Management
- Freshwater Management
- Freshwater Allocation

The Freshwater Iwi Leaders Group (**Freshwater ILG**) have maintained that any engagement with the Crown in addressing iwi and hapū rights and interests in freshwater is premised on the following principles (which have been agreed by the National Iwi Chairs Forum since 2012):

- 1. Ko te Tiriti o Waitangi te tahuhu o te kaupapa o te wai: The Treaty is the framework for matters related to freshwater
- 2. Te Mana o Te Wai: The integrity of Water is maintained
- 3. Te mana motuhake o ia wai o ia iwi ki te wai: Control, use and respect sits with the people
- 4. Te kaitiakitanga o nga hapū me nga iwi i te wai: *Iwi and hapū have inherent guardianship*
- 5. Te mana whakahaere o nga iwi me nga hapū ki te wai: *Iwi and hapū must have ability to express rights and authority*

In addition, the Freshwater ILG's starting point is that we have tino rangatiranga over our wai and therefore:

- Iwi or hapū have never willingly or knowingly relinquished rights and interests in, or authority over, their respective rivers, streams, lakes, puna or any other freshwater bodies.
- The Crown must recognise the Tino Rangatiratanga of iwi and hapū over our Wai (and bring an end to any suggestion that such rights must be "proven" by iwi and hapū).

¹ Acknowledging that there are inherent overlaps between the content in the sections.

- The Crown has failed to respect, provide for and protect the special relationship of iwi and hapū with their respective rivers, streams, lakes, puna or any other freshwater bodies.
- The engagement of the Freshwater ILG or the Collective does not usurp the mana and or autonomy that each Iwi or hapū has in respect of their own relationship with the Crown and the necessity for engagement by the Crown with other Iwi or other Māori organisations on a wider scale remains.
- The Freshwater ILG considers that allocation, management and governance decisions must be made on a catchment by catchment basis and at a catchment level.
- Ngā Mātāpono ki te Wai (attached) provides a useful framework to guide discussions on the scope of iwi and hapū rights and interests with respect to freshwater.

Attached also, alongside Ngā Mātāpono ki te Wai, is a draft Freshwater ILG work-programme that also includes key propositions for the purposes of both the Freshwater and Resource Management reforms.

Governance

- Te Tiriti o Waitangi underpins the members of the Collective's relationship with the Crown and is the basis for engagement, solutions and opportunities for iwi and hapū on all issues regarding freshwater.
- The Freshwater ILG support the ability of iwi and hapū to exercise their mana motuhake, rangatiratanga, and mana whakahaere of their taonga. This also requires supporting iwi and hapū to restore and/or maintain their relationships with their wai e.g Te Awa Tupua, ownership of beds amongst other solutions.
- Iwi and hapū want a greater involvement and participation in freshwater decisionmaking including the management and governance of freshwater at the national and regional level. The frameworks need to be robust, equitable and durable. This might include shared governance and partnership arrangements that genuinely provide for Iwi and hapū such as:
 - Recognise iwi have the authority and therefore, transfer of "powers" and resourcing to iwi and hapū to govern their wai.
 - Mandatory seats for iwi and hapū on Councils.
 - 50/50 representation and strong role in decision-making for iwi and hapū in central and regional government governance arrangements.
 - Mandatory requirement to have Iwi and hapū appointed Commissioners to hearing panels on major consenting processes that affect ngā taonga tuku iho.
 - Increased iwi and hapū representation on the new freshwater planning process panels or any new governance models created (including, but not limited to, repeal and replacement of freshwater planning process presently in Subpart 4 of Part 5 of present RMA"
- Co-designing and co-developing regional planning documents including recognition of mātauranga māori.
- Resource and funding to support iwi and hapū to exercise their mana whakahaere over their wai.

Resource Management

- The current resource management regime, largely regulated by the Resource Management Act 1991, is broken and in need of urgent and transformational reform.
- The Report of the Resource Management Review Panel (June 2020) *New Directions for Resource Management in New Zealand*, has shaped Cabinet's direction for replacing the current Resource Management Act 1991. The Freshwater ILG's position on the Review Panel's primary recommendations that affect iwi/hapū are:
 - The definition and status of Te Mana o Te Taiao and its related reference in any purpose of the proposed new Natural and Built Environments Act (the NBA), must have integrity and resonate in terms of Te Ao Māori and the innate (whakapapa) relationship (and associated) responsibilities between iwi and hapū and Te Taiao.
 - The obligation to give effect to the principles of Te Tiriti o Waitangi must be retained (noting that this falls short of a more fundamental obligation to give effect to Te Tiriti o Waitangi itself which necessarily should be the baseline for the Crown policy and legislation in Aotearoa in 2021). This important obligation should be mandatory on all persons exercising functions and powers under the NBA and the new Spatial Planning Act (the SPA), and importantly should not be undermined by other provisions in the NBA or the SPA
 - The definition of the "environment" must expressly recognise that the whakapapa relationship and associated responsibilities between iwi and hapū and Te Taiao are part of the "environment", and should be recognised discretely from the generic reference to "peoples and community".
 - The definition of sustainability must reflect iwi/hapū concepts of environmental management including the fundamental principle of the environment being able to sustain itself (not simply for the purpose of utilisation by and for the benefit of present and future generations).
 - Mātauranga Māori and recognition of the whakapapa relationship between iwi/hapū and the environment must be considered as part of the mandatory process to set "natural environment limits" (noting that iwi/hapū are intrinsically connected with the 'natural environment' as a matter of whakapapa and tikanga).
 - Hapū/iwi must be involved, through a partnership approach, in the setting of National Directions under the NBA and SPA.
 - The Freshwater ILG does not support National Direction, formulated by the Minister for the Environment, for giving effect to Te Tiriti.
 - The Freshwater ILG does not support a National Māori Advisory Board to monitor the performance of central and local government in giving effect to Te Tiriti. This is the role of iwi and hapū.
 - The Freshwater ILG supports enhancing the Mana Whakahono ā Rohe provisions and must be involved in co-developing these enhancements. Nothing in the reform should derogate from any current Mana Whakahono ā Rohe agreements.
 - The Freshwater ILG supports having positive obligations on local authorities to use transfer of powers and joint management provisions.
 - o lwi/hapū must be funded for undertaking resource management functions.
 - The appropriate terminology for use in the NBA for engagement is hapū and iwi.

- The allocation of natural resources is an integral component of the NBA that must sit within the frame of "natural environmental limits". The NBA will only be certain and durable when iwi and hapū rights and interests in freshwater are resolved.
- Importantly, the Freshwater ILG considers the provisions of the NBA and SPA must not preclude, inhibit or limit the mechanisms required to substantively address and resolve the issue of freshwater rights and interests, and records that a new freshwater statute may be required which establishes a separate regime for freshwater governance, management and allocation or amends the terms of the NBA and SPA to accommodate such a regime.
- The Review Panel Report also recommends further consultation with Māori. The Freshwater ILG understands that Cabinet has determined not to undergo this consultation. The Freshwater ILG recommend this level of consultation occur, alongside direct engagement with the Collective, to ensure that robust resource management outcomes are implemented through this reform.

Freshwater Management

- Te Mana o te Wai is paramount.
- The health and wellbeing of waterways is the cornerstone of freshwater management. The continuous supply of freshwater is seen as fundamental to the sustainable social, environmental, cultural and economic development of iwi and hapū.
- The Freshwater ILG advocates for continual improvement to the quality of freshwater in Aotearoa over time in a way that improves the health and wellbeing of people but also our social, cultural and economic prosperity, which in turn is good for New Zealand Inc.
- The overarching view of lwi and hapū is a long-term one that favours intergenerational equity ahead of the shorter term (often economic) "benefits" that often dominate governmental and commercial decision-making.
- The Freshwater ILG advocate that the RM Reform provides an opportunity to ensure a more holistic approach to the way freshwater is managed e.g flora, fauna and wider eco-system health of our waterways.
- The Freshwater ILG advocate better connections across all current reform relating to freshwater including Three Waters, RM Reforms, Climate Change and Rights and Interests in Freshwater amongst others.

Freshwater Allocation

- The Freshwater ILG believe that a substantive part of resolving iwi and hapū rights and interests in freshwater will entail an allocation of freshwater quantity and quality for commercial use and, to grow iwi and hapū economic prosperity. Ultimately, iwi and hapū want an allocation of water.
- An allocation of freshwater is not premised on, or subject to, developing land.
- The Freshwater ILG are clear that over-allocation of freshwater, at the catchment scale, must be addressed prior to any further allocations of water, including to iwi.
- The Freshwater ILG strongly oppose any strengthening of the existing resource consent regime until such time as the iwi and hapū freshwater rights and interests are addressed.

- The first in first served approach to allocation must be reformed. The Freshwater ILG oppose this approach to resource allocation.
- A bold approach is required to generate headroom within overallocated catchments) including:
 - Setting sustainable limits for our wai including recognising mātauranga māori as benchmarks.
 - Mandatory reasonable technical efficiency and use testing/measures for existing permit holders [either on review of conditions or expiry of permit].
 - Investment in water storage infrastructure to generate new water [provided within limits].
 - Council-administered reduction in existing allocation on review of consent conditions or on expiry and reallocation of resource consents [staged percentage reductions in volume].
 - Claw back paper overallocation through review of consent conditions or on expiry and reallocation of resource consents.
 - Incentivising the voluntary surrender of permits [all or part of resource consents].
 - Enforce common expiry dates to allow for the effective use of these criteria.
 - Use of priority status in freshwater plans to reserve allocation for iwi/hapū.
 - Strategic acquisition of permits by Crown for purpose of reserving allocation for iwi/hapū.
- The Freshwater ILG commissioned Sapere Group to develop economic based evidence to support their engagement with the Crown to address iwi rights and interests in freshwater. Sapere Group concluded there were net benefits of an iwi/hapū allocation and, from transitioning to a stronger rights-based regime including:
 - Benefit of pricing, transparency and path to market.
 - Benefit of awakening sleeper consents \$370 million if 5 percent of the sleeper share is re-allocated.
 - Less costly droughts \$500 \$630 million dollar benefit from a large-scale drought.
 - Less costly method of reducing over-allocations.
 - Reduced costs of conflicts savings on processes like Variation 6 (\$3.7 million, 3 years) and Rakaia Selwyn Groundwater Zone (\$2.5 million, 2 years).
 - Better capital formation.
- Further work from Sapere will determine the likelihood of current water users (eg, those with resource consents) accepting an iwi allocation and a shift towards a stronger rights-based regime and, the incentives on iwi/hapū to behave in a commercially rationale way.

OBJECTIVES

- Improved Water Quality Mana o Te Wai
- Realise value of water resources (including economic)
- Enduring future iwi relationship with water bodies

VALUES

- Ki uta ki tai Wairua
- Mana
- Mauri making (mo tatou a mo nga uri)
- Kaitiakitanga
 - inga 🔹 Mana Atua Mana Tangata

Intergenerational decision



up

GOVERNANCE

Joint Iwi/Commu														-
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Central														
- NPS														
- NES														
- EPA														
Local flexibility														
Local/regional go	•	-			-									
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- Planning														
- Limits														
- Allocation														
- Monitoring														
- Enforcement														
- Restoration														
- Rentals/Rating														
Build on existing 1	٢e	a	ty	S	e	t	e	m	er	nt	s			

NGA MATAPONO KI TE WAI



Allocable Quantum

Instream Limit

LIMITS
Gives effect to Mana Atua Mana Tangata
Balance instream values with economic use
Mana Tangata
- Ceremonial
- Drinking
- Transportation
- Foonomic
- Recreation
- Food Gathering
Quantity
Quality
Providing for instream values and uses

ALLOCATION National framework Increased certainty for all users via better defined rights Move to highest value use over time Iwi allocation (economic development)

- Proportional

- Allocated to iwi within catchment - Perpetual

- Subject to environmental controls - Inalienable

- Transferable

- Right to access water (not ownership)

Additional interests may exist outside of this framework

TRANSITION

Phase in over time to allow existing users to adjust

Allocating water to iwi may take time in over/fully allocated catchments

Length of transition critical to avoid 'shocks' by allowing existing users to adapt

Create certainty for existing users on new regime

Community/iwi determine allocation objectives via planning regime

Limit setting process

PRINCIPLES

Mana o te Wai Te Tiriti o Waitangi te tahuhu o te Wai Te Mana Motuhake o ia wai o ia iwi ki te wai Te kaitiakitanga o nga hapu me nga iwi ki te wai Te mana whakahaere o nga iwi me nga hapu ki te wai

OBJECTIVES

- Improving and maintaining water quality te mana o te wai is a first order objective for iwi and all New Zealanders
- Water is a valuable resource and has the potential to deliver significant benefits including economic benefits, for iwi and the community,
 - Maximising the value of water (including social, economic, cultural and environmental benefits) for the community, including government, iwi, and all users, will require better definition of the bundle of rights attached to water
 - o This requires recognising iwi rights and interests through:
 - providing for iwi in governance and decision making roles
 - recognising iwi values in the decision making framework and
 - providing iwi with an equitable allocation of water quantity and quality.
- Iwi want to re-establish and maintain an enduring relationship with their ancestral/ traditional water-bodies — mana whakahaere — recognising both their inherent mana and associated kaitiaki responsibilities over these water bodies. This includes being able to share equitably in any development capacity associated with a water body (allocable quantum).

ALLOCATION

- Allocating water to both consumptive and non-consumptive uses is central to
 effectively managing water and realizing the highest possible value
 from the resource
- Increasing certainty to all water users via more defined rights is an important factor in maximizing the value of water
- Enabling water to flow to highest and best use (e.g. transfers)
- Recognising iwi rights and interests through an equitable allocation of allocable quantum
- Allocation to iwi who uphold mana in catchment
- National Framework for allocation
- Characteristics of 'iwi allocation'
 - o Proportional
 - o Perpetual
 - o Transferable
 - o Inalienable
 - Subject to standard environmental controls
 - Right to access water (not ownership of water)
- Proptional allocation of allocable quantum within a catchment equitable allocation does not mean all iwi will receive same quantity of water
- Iwi allocation recognises residual iwi rights and interests in water common to all iwi. Some iwi may be able to claim/prove additional rights and interests depending on particular situations (e.g. Poroti Springs)

GOVERNANCE

- Providing iwi with a direct role in the governance and decision-making processes for fresh water is crucial to recognising and providing for iwi rights and interests.
- ILG support the recommendations in LAWF report regarding collaborative decision making but need to also go further and ensure iwi sit at decision making table at all levels
- Iwi must be involved in both central government decision-making (e.g. NPS, NES, EPA) and regional/local government.
- This will require flexibility to meet regional/local circumstances and fresh thinking regarding local government structures
- Existing Treaty settlement framework tools are inadequate (joint advisory committees, advisory boards)
- Existing settlement mechanisms may provide a starting point where
 appropriate but can be enhanced and developed further
- Enduring structures will need to develop over time as capacity and capability develop

TRANSITIONAL PHASE

- Shifting from the current regime to a new regime with more clearly defined rights including recognition and provision for iwi rights and interests will require a transitional phase to ensure existing water users and rights holders are not unfairly prejudiced
- Ensuring a 'soft landing' for existing users into new regime will be important
- Where unallocated water is available within a catchment this could be directly allocated to iwi
- Where catchments are fully or over-allocated accessing available water for allocation to iwi may take some time. This timeframe may need to be negotiated on a case by case basis (possibly within a national framework?).
- Decisions will be required on how existing rights holders should be transitioned into new regime, e.g.
 - o Grandfathering
 - o Re-allocation on expiry
 - Recognition of existing investment
 - How to manage re-allocation to iwi
- Transitional limits required in interim until governance arrangements can establish regional/local limits.

VALUES

- Recognising the values of iwi in the decision-making framework is an important aspect of the iwi connection with their water bodies.
- While these may vary iwi to iwi, recognising a set of common iwi
 values within the decision-making framework is central to
 establishing the enduring connection between iwi and their water-bodies.
- Mana Atua
 - Mauri
 - Wairua
 - Natural character
 - Mana
 - Life supporting
 - Ecology
 - Biodiversity
 - Native fish
- Mana Tangata
 - Ceremonial
 - Drinking
 - Transportation
 - Economic
 - Recreation
 - Food Gathering
- These values include:
 - Intergenerational decision making
 - Ki uta ki tai, mountains to the sea integrated land and water management across the whole catchment
 - Mana (both of the water, and iwi exercising mana over it)
 - Mauri (protecting the inherent life supporting capacity of the wai)
 - Kaitiakitanga
 - o Wairua

LIMIT SETTING

- A robust planning regime, including enforceable limits is central to achieving the stated objectives for water management reforms
- Limits are required for both water quality and water quantity
- Enforcing limits will require transitioning to the new regime, particularly in catchments requiring improvements in water quality or where water is over-allocated
- Balance between protecting in-stream values and maximizing the economic value of the allocable quantum – iwi working with wider community to establish a balance via governance mechanisms
- Range of values (including economic e.g. tourism) provided through in-stream values

DRAFT

ADDRESSING IWI/HAPŪ RIGHTS THROUGH RESOURCE MANAGEMENT ACT AND FRESHWATER REFORMS

