

Reference: 20190421



TE TAI ŌHANGA
THE TREASURY

16 August 2019



Thank you for your Official Information Act request, received on 21 June 2019. You requested:

- 1. correspondence from the Treasury to the Department of Conservation about seismic surveying for petroleum insofar as it relates to the Hector's and Māui dolphins Threat Management Plan review**
- 2. advice from the Treasury to the Minister of Finance about seismic surveying for petroleum insofar as it relates to the Hector's and Māui dolphins Threat Management Plan review.*

**<https://www.fisheries.govt.nz/news-and-resources/consultations/hectors-and-maui-dolphins-threat-management-plan-review/>*

Information being released

Please find enclosed the following documents:

Item	Date	Document Description	Decision
1.	29 May 2019	Email: RE TMP Hector's and Maui Dolphins	Release in part
2.	6 June 2019	Email: Questions for Dolphin meeting today	Release in part
3.	7 June 2019	Treasury Report: Briefing for Cabinet Environment, Energy and Climate Committee 13 June 2019	Release in part
4.	10 June 2019	Aide Memoire: Hector's and Maui Dolphin Threat Management	Release in part

I have decided to release the documents listed above, subject to information being withheld under one or more of the following sections of the Official Information Act, as applicable:

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<https://treasury.govt.nz>

- under section 6(a) – to protect the security or defence of New Zealand or the international relations of the Government of New Zealand
- personal contact details of officials, under section 9(2)(a) – to protect the privacy of natural persons, including that of deceased natural persons,
- names and contact details of junior officials and certain sensitive advice, under section 9(2)(g)(i) – to maintain the effective conduct of public affairs through the free and frank expression of opinions, and
- under section 9(2)(h) – to maintain legal professional privilege

Direct dial phone numbers of officials have been redacted under section 9(2)(k) in order to reduce the possibility of staff being exposed to phishing and other scams. This is because information released under the OIA may end up in the public domain, for example, on websites including Treasury's website.

In making my decision, I have considered the public interest considerations in section 9(1) of the Official Information Act.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Treasury website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

Gwen Rashbrooke
Manager

From: s9(2)(g)(i) [TSY]
Sent: Wednesday, 29 May 2019 5:51 PM
To: 'Sarah Stevenson'; anne.broome@mpi.govt.nz
Cc: abbie.bull@mfe.govt.nz; Jeremy.Schofield@mpi.govt.nz; Andrew.Hill@mpi.govt.nz; Marianne.Lukkien@mpi.govt.nz; Grant.Andrews@mpi.govt.nz; Steve.Halley@mpi.govt.nz; Stuart Anderson (MPI); iangus; khillock@doc.govt.nz; John Scott [DPMC]; Rachael Wookey [TSY]; Reed Inwood; Julie Fieldhouse; Tony Seymour; Dianna.Caird@mfe.govt.nz; Tomasz_Kiedrzynski@moh.govt.nz; Asad_Abdullahi@moh.govt.nz; m.beatson@transport.govt.nz; tia.warbrick@justice.govt.nz; brett.longley@mfat.govt.nz; Mark.Wansbrough@mpi.govt.nz; mike.hudson@maritimenz.govt.nz; Philippa Fox; Gwen Rashbrooke [TSY]
Subject: RE: TMP Hector's and Maui Dolphins

Hello.

Thank you for sending us the paper and summary of the discussion document. We have jotted down our initial concerns on the cabinet paper below. We were not able to review the summary of the discussion document in the timeframes provided. We also have not yet been sent the full discussion document for comment.

We wish to signal that at this point we will not be supporting the cabinet paper as we have had insufficient time to fully scrutinise and understand the proposals. If the paper proceeds in current form, we will be providing advice to our Minister to that effect. We may also consider inserting a Treasury comment in the cabinet paper.

s9(2)(g)(i)

Treasury's initial comments

Fishing

- The paper needs to clearly explain the relationship between this proposal and other initiatives to support to dolphins, including the proposal agreed by Cabinet for the Fisheries Change Programme to put on-board cameras on vessels operating in areas where maui dolphins reside. The paper references that funding for increasing fishing monitoring proposals will be provided under the first stage of on-board cameras (para 167) but it is not sufficiently clear to Ministers what the cumulative impact of these proposals are. Nor it is clear why you need cameras if you are making fishing restrictions that will reduce the potential harm to dolphins. If both policies are required to protect maui dolphins, then the paper should set out the cumulative impact of these proposals so Ministers can assess the benefits of reduced human-induced mortality against the total fiscal and economic impacts.
- s9(2)(h)
- A previous version of the fisheries discussion document we saw included detailed information on the benefits and economic costs of each option. That is not included in the cabinet paper however it is useful information to decision makers.

Toxoplasmosis

- We consider that that the criteria for developing a toxoplasmosis action plan should include reference to:
 - How the proposals will affect individuals or councils
 - Costs of the proposals to government, individuals and councils

Extending the boundaries of the marine mammal sanctuaries

- The paper has limited information why the boundary of the sanctuaries need to be extended (the specific benefits to maui and hector dolphins of extending the sanctuaries)
- It is also unclear as to what the impact of the extension of the sanctuary will be on those who currently use the sea and will no longer be able to (costs)

Seismic surveying

- The paper needs to more clearly explain paper why implementing any of the three options to all marine mammal sanctuaries would benefit the dolphins who only reside in certain sanctuaries
- The paper needs to more clearly explain what the impacts are on those who use/rely on seismic surveying, including a discussion on the magnitude of potential economic impacts of each option (even if a qualitative in nature)

Seabed mining

- As above, the paper needs to be more clear on the benefits to dolphins of each proposal, and the impacts on users of seabed mining of each specific proposal. It would also be useful to include a discussion on potential economic impacts of each option, and the magnitude of impacts (even if qualitative in nature)

Financial and legal implications

- The paper needs to give decisions makers an idea of the rough quantum of funding that all of the proposals may cost government. This will ensure government has an idea of what they are consulting on.
- As above, the paper should also include a discussion on the financial and precedence risks of any of the proposals, including through compensation claims (both fisheries, and seismic surveying/seabed mining)
- It should also include a rough estimate of the revenue foregone to crown from fishing restrictions.
- We consider the discussion on the potential legal risks of the proposals is insufficient to give decision makers an idea regarding the potential of legal risk and effects of that.

Understanding of cumulative effects

- There is no discussion on the cumulative effects (if any) of the seismic and seabed mining proposals (both the benefits to dolphins and the economic impacts). It would be useful to include commentary outlining whether you can do one proposal without the other, or if you do both and what the effect would be (including in various options within each proposal)

Deleted - Not Relevant to Request

From: s9(2)(g)(i) [TSY]
Sent: Thursday, 6 June 2019 10:10 AM
To: 'Ian Angus'; Julie Fieldhouse; 'Sarah Stevenson'; Anne Broome
Cc: Daniel Lawrey [TSY]
Subject: Questions for Dolphin meeting today

Hello.

Ahead of our meeting today, here are the main questions and concerns we have. This is based on the cabinet paper as we have still not been sent the full discussion document.

Looking forward to meeting with you.

s9(2)(g)(i)

-
1. s6(a)
[Redacted]
 - b. s9(2)(h)
[Redacted]
 2. **The problem definition:**
 - a. Are you able to comment on the efficacy of previous threat management plans in relation to dolphin populations- both the 2007 and 2012 iterations? Do you have an idea of what was particularly effective or ineffective? This was mentioned as one of the purposes of the current review. This would help clarify the relationship between paragraphs 23/24 and 28/29.
 3. **The fiscal costs and** s9(2)(h)
 - a. Cabinet should have an idea of the rough quantum of funding required to carry out the Toxo Action Plan, or the funding envelop that DOC is aiming for (and how it proposes to meet this cost).
 - b. The paper provides no information to decisions makers on the potential cost to crown of implementing any of the proposals (and how these costs will be met). Is it \$10M, \$20M, \$100M?
 - c. s9(2)(h)
[Redacted]
 4. **The costs and benefits:**
 - a. It is also hard to understand the magnitude of the benefits between options. It would be useful to include in Table Two another line that describes the dolphin benefits, as discussed early in the cabinet paper
 - b. Are you able to more clearly outline what the thresholds proposed for the Hector and Maui dolphin populations are (paragraph 50/ 51/55)? If the biggest lethal threat to dolphins is toxoplasmosis, what role do the fishing restrictions play in ensuring dolphins are managed within that threshold?
 - c. Could you expand on the effects of option 2 and 3 on the population of Hector's dolphins? (para 63.2 and 63.3)
 - d. It is unclear why you are proposing to limit/ban seismic surveying in all sanctuaries, when the purpose of the proposal is to manage the effect on dolphins in certain areas. Could you clarify?



s9(2)(g)(i) | Analyst, Natural Resources | **The Treasury**

Tel: s9(2)(k) s9(2)(g)(i) [@treasury.govt.nz](mailto:s9(2)(g)(i)@treasury.govt.nz)

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From: s9(2)(g)(i)
Sent: Thursday, 6 June 2019 5:27 PM
To: s9(2)(g)(i)
Subject: ENV Briefing

Hi s9(2)(g)(i)

Here is the briefing for the Dolphins item for the ENV meeting.

s9(2)(g)(i)

[UNCLASSIFIED] Description and analysis	Fiscal implications	Treasury Recommendation
Hector's and Māui Dolphin Threat Management Plan		
<p>This paper seeks approval to consult on a proposed Threat Management Plan for Hector and Māui Dolphins. The options proposed include restrictions on fishing, seabed mining and seismic surveying and the development of a toxoplasmosis action plan.</p> <p>An independent panel at the Department for Conservation determined that the discussion document does not meet regulatory requirements in relation to outlining the impacts of the seismic surveying and seabed mining proposals. We consider this may lead to ineffective consultation.</p>	<p>No immediate fiscal implications from the decision to consult, although it is likely that these initiatives will form the basis for future funding requests.</p> <p>s6(a)</p> <p>The potential fiscal risks are identified in the Cabinet paper but the magnitude of these risks remain unclear.</p> <p>Further information on this is provided in <i>Aide Memoire: 'Hector's and Maui Dolphin Threat Management Plan (T2019/1657)</i>.</p>	<p>Support, but note the information provided in the Aide Memoire.</p>

Rachael Wookey (she/her) | **Senior Analyst | Skills, Employment and Enterprise | Te Tai Ōhanga – The Treasury**

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TE TAI ŌHANGA
THE TREASURY

Reference: T2019/1657 DH-32-0 (Vote Analysis: General)

Date: 7 June 2019

To: Minister of Finance (Hon Grant Robertson)

Deadline: 10 June 2019

Aide Memoire: Hector's and Māui Dolphin Threat Management Plan

The Minister of Conservation and Minister of Fisheries are planning to present an oral item at Cabinet on 10 June 2019. The oral item will seek power to act for ENV on 13 June 2019 in relation to a Threat Management Plan for Hector's and Māui Dolphins (Threat Management Plan). Then on 13 June 2019, ENV will consider a Cabinet paper seeking approval to public consultation on the proposed Threat Management Plan. The Treasury was given limited time for consultation on the Cabinet paper and did not have the opportunity to review the discussion document.

s6(a)

There may be **fiscal risks** associated with some of the proposals in the Threat Management Plan, which are not outlined in this paper. We consider these as potentially significant in scale and recommend that you raise them directly at ENV.

An independent panel at DOC determined that the discussion document **does not meet** regulatory impact analysis requirements in relation to outlining the impacts of the seismic surveying and seabed mining proposals.

Fiscal implications

There are no fiscal implications associated with the decision to consult. However, it is likely that these initiatives will form the basis for future funding requests through Budget, or will require de-prioritisation of existing work programmes. We have set out the potential fiscal implications and risks below. These risks are broadly identified in the Cabinet paper but the magnitude of the risks is unclear.

- a) *Fiscal implications associated with seismic surveying and seabed mining restrictions*

IN-CONFIDENCE

s9(2)(h)

b) Fiscal implications associated with the fishing proposals

s9(2)(h)

s9(2)(h)

There may also be fiscal implications arising from foregone taxation revenue to the Crown from reduced fishing activity.

c) Fiscal implications associated with Toxoplasmosis Action Plan

The paper notes that DOC will seek additional funding to implement the Toxoplasmosis Action Plan. There is no detail on what these costs are.

s6(a)

Next steps

If you wish to gain better information on the issues identified in this paper, the following questions may support your conversations at ENV:

s6(a)

- What is the magnitude of the potential fiscal implications associated with each of the following proposals: seismic surveying and seabed mining restrictions, fishing restrictions and Toxoplasmosis Action Plan?
- How could fiscal risks be managed following the consultation process?

s9(2)(g)(i)

Analyst, Natural Resources, s9(2)(k)

Daniel Lawrey, Acting Manager, Natural Resources, s9(2)(k)