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Aotearoa New Zealand Infrastructure Strategy Consultation Document

The New Zealand Association for Impact Assessment (NZAIA) thanks Te Waihanga/New Zealand Infrastructure Commission for the opportunity to submit on the 2021 Consultation Document.

About the New Zealand Association for Impact Assessment (NZAIA)

The NZAIA is an incorporated society and registered charity, comprising a community of impact assessment (IA) specialists and supporters. Our membership of 80–100 practitioners is made up of academics, researchers and students, and other assorted professionals and interested parties. Our members include many of the leading impact assessment experts in NZ, with longstanding reputations and a wealth of New Zealand, Pacific and international experience. We all share a deep interest in impact assessment, a decision-support method that is one of the most important tools for safeguarding the environment, and the people and communities who rely on it.

Impact assessment involves systematic methodologies for scoping, identification and assessment of relevant impacts, and the evaluation of their significance, across all sectors of the environment (using the RMA definition): biophysical, social, health, culture, etc.

NZAIA is an affiliate of the International Association for Impact Assessment (IAIA), a professional association with some 1700 members located across 120 countries. NZAIA is also partnered with the Environment Institute of Australia and New Zealand Inc. (EIANZ); and the Secretariat of the Pacific Regional Environment Programme (SPREP).

Submission

NZAIA commends the NZISC for producing such a thoughtful and valuable report. We also commend the Commission for the commitment to an inclusive process, to equitable outcomes, and to giving effect to the Treaty of Waitangi.

Broad comments

We welcome the recognition in the document to wider environmental, social and cultural impacts, both beneficial and adverse, of infrastructure development. However, the treatment of those impacts does focus mainly on biophysical aspects, especially water and air, and less on the potential impacts on people and communities. Moreover, little consideration is given to promoting decision-making processes that embed impact assessment thinking, especially at the policy and plan-making levels. Where processes are discussed they are seen very much through the economic lens, with heavy emphasis on Cost Benefit Analysis, and the expectation that impacts of all types will be amenable to quantification. In our view these problems will lead to inadequate consideration of wider adverse implications of infrastructure development.

NZAIA recommends that the Commission promotes the use of impact assessment methods in all relevant areas of decision-making, alongside other methods such as CBA. In particular we

recommend the use of **strategic environmental assessment (SEA)** in decision-making at the policy and plan levels. SEA is an internationally recognised approach that can be integrated into strategic policy and planning processes to provide a structured, systematic assessment of wider consequences of proposals as they are developed.

The following specific comments expand on these views, drawing on particular statements in the Consultation Document.

Specific comments

NZAIA applauds the broad Principles adopted in the Consultation document, but we are wary that *Efficient* (p. 25) implies that adverse social, environmental and cultural consequences, as well as benefits, are amenable to monetary evaluation. Given the contested nature of methods such as contingent evaluation, etc., we are concerned wider adverse effects of infrastructure development may not be adequately represented in decision-making.

"*Evidence-based: Infrastructure decisions are based on robust and accurate information about costs, benefits, risks, and wider positive and negative impacts,…*" (p. 26.) NZAIA welcomes the emphasis on wider positive and negative impacts as a constituent of evidence-based decision-making. However, throughout the ANZIS Consultation Document there is a lack of detail on how this should be approached by policy-, plan- and decision-makers: this is disappointing, given the existence of well developed impact assessment methods, and in particular Strategic Environmental Assessment (SEA), widely recognised internationally as the leading assessment method for use in such decision processes. Strategic planning does not in itself examine the wider implications and unintended consequences of polices and plans: an extra, explicit component is required, and that is what SEA provides. **We strongly recommend that Te Waihanga/NZISC support and promote the use of SEA in all decision-making processes linked to infrastructure development,** complementing existing impact assessment processes for projects under the RMA.

"*This requires the social impacts created by infrastructure decisions to be considered, so that any hardship or disadvantage can be appropriately mitigated.*" (p. 32) We welcome recognition that infrastructure decisions can have social impacts that require mitigation. What needs emphasis is that those impacts need to be investigated using approaches such as **social impact assessment** before commitments are made, to allow policy and plan options and designs to be varied, to avoid, reduce or mitigate the potential impacts.

"*Infrastructure generates spill-over effects…[etc.]*" (p.33) NZAIA welcomes recognition of the wider implications of infrastructure development demonstrated in the paragraph on spill-over effects, but the focus is mainly on benefits and sharing the cost of development across all who benefit. The costs borne by negatively affected people seems to be overlooked due to the narrow focus on monetary costs. **Formal SEA assessment of policies and plans (and SIA for specific projects), alongside monetary evaluation, would balance this picture**.

"*Mitigating the effects of climate change will affect what, and particularly, how we build. Adapting to climate change will affect where we build*."(p.47). NZAIA welcomes the recognition that climate change mitigation will have implications for infrastructure development; there will be implications for other sectors too, and NZAIA is pressing all responsible agencies to adopt formal SEA processes to assess the wider implications of climate change adaptation and mitigation policies and plans. **We strongly recommend that the Te Waihanga/NZISC support this move.**

"*The long-lived nature of infrastructure means today's decisions lock in ways of living for generations*."(p.48). The bullet points following this heading include issues such as keeping options open, being flexible about design in particular circumstances, and having a planning system that allows for adaptive response to climate change adaptation and mitigation. **NZAIA consider these and other issues lend greater support to the case for integrating SEA and other impact assessment tools into policy and plan making.**

"*F2. Transition energy infrastructure for a zero-carbon 2050……A successful transition to renewable energy could deliver wide benefits.*" (p. 54) NZAIA agrees there could well be benefits, but they will only be achieved if the transition (which the previous paragraph notes the Climate Change Commission believes must be faster) is managed careful to avoid or mitigate adverse impacts and maximise the benefits. **This requires use of impact assessment processes, and SEA in particular.**

"*From an infrastructure perspective, some significant challenges will need to be addressed if the transition to renewable energy is to be successful*."(p. 55). The paragraphs following this statement deal solely with structural issues, with no recognition that successful transition must also be prepared to anticipate potential impacts on people, communities and the wider environment. These considerations must be integral to the overall development processes.

"*Clarifying definitions of 'environment' and 'amenity' to ensure that environmental protections are not applied to subjective amenity issues*."(p. 75) NZAIA understands this is an issue that has arisen in the wider review of the RMA, and is a response to Nimby arguments that objectors often use to fight developments. However, we see two dangers in this statement: first, the definition of environment under current legislation is wider than biophysical features, and includes aspects such as culture and social wellbeing. These are as deserving of protection as biophysical aspects. We will be pressing for this to be reflected in future legislation that replaces the RMA. Second, "subjective" should not disqualify issues from consideration: ultimately all trade-offs, including monetary ones, are based on human values, which are intrinsically subjective by nature. Perhaps vexatious amenity issues are the ones that should be countered?

"*Integrated planning and the delivery of infrastructure and development can reduce the pressure that growth places on infrastructure networks, particularly transport and water infrastructure*."(p. 76) NZAIA welcomes the emphasis on integrated planning as a strategy for reducing environmental impacts of infrastructure development. However, the social impacts of such developments, especially, but not exclusively, in urban areas can be significant (such as the displacement of less affluent communities when transport improvements attract more affluent groups into an area, with many subsequent negative effects on those displaced families) and we feel this is not given sufficient recognition in this (and other) parts of the consultation document compared to biophysical impacts.

"*C4. Plan for lead infrastructure*" (p. 84) NZAIA agrees there needs to be a strategic approach to developing lead infrastructure. But we consider it vital that the **cumulative impacts** of potential development based on that lead infrastructure be examined as part of a strategic environmental assessment, ideally within a spatial planning process.

"*CBA should not be narrowly focused on financial outcomes, although these are often important. Instead, it should comprehensively consider all relevant benefits and costs, including non-financial economic, social, cultural and environmental impacts……When unquantified impacts are potentially significant, decision-makers may have to make judgements about how large these impacts are likely to be, relative to quantified costs and benefits*."(p. 113) **NZAIA strongly recommends the use of existing and proven impact assessment methods, and in particular**

strategic environmental assessment (SEA) to ensure "informed and transparent decision making" (S4). It would support, and provide input to, CBA but also provide a more secure basis for decision-makers when dealing with wider implications that are not amenable to quantification or monetary evaluation.

"*Excessive costs and delays that result from consenting under the current system undermine these social and environmental goals.*" (p. 122) NZAIA agrees the current system can create excessive costs and delays; however, that is often the result of not considering wider implications of proposed developments at the policy and plan levels, leaving potentially affected parties using the consenting processes to raise issues that should have been addressed much earlier in the development process. **Accordingly NZAIA strongly recommends Te Waihanga/NZISC supports the inclusion of SEA provisions in future planning and environmental legislation.**

Prepared on behalf of the NZAIA by:

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