

17<sup>th</sup> April 2024

Committee Secretariat  
Environment Committee  
Parliament Buildings  
Wellington  
en@parliament.govt.nz

### Submission on Fast-track Approvals Bill

- 1) The New Zealand Green Building Council thanks the Environment Select Committee for the opportunity to make a submission on the Fast-track Approvals Bill (Bill).
- 2) This submission is made by the New Zealand Green Building Council (**NZGBC**). NZGBC is a not-for-profit industry dedicated to a sustainable built environment. NZGBC achieves this by setting standards of best practice through green building rating tools; education and training for all areas of the building industry value chain; and providing access to networks, information and resources for our members to lead the market. Its vision is for all homes and buildings in Aotearoa to be green and sustainable, making healthier, happier New Zealanders.
- 3) NZGBC considers that the proposed Fast-track Approvals Bill (**Bill**), and the eventual replacement of the Resource Management Act 1991 (**RMA**), should provide an opportunity to balance the benefits of speed of development for property owners, tenants and the wider community and the environment, but in its current form the bill risks breaching many key environmental commitments and democratic processes.

### Submission

- 4) NZGBC is generally supportive of the Bill's intention to enable projects of national and regional significance and to bring greater certainty to construction and infrastructure projects. However, NZGBC considers that in its current form, the Bill will hinder New Zealand's ability to meet its international and domestic emissions reduction targets and key environmental protections. In doing so, it will make New Zealand vulnerable to trade sanctions, tarnish its international reputation, and make New Zealand more vulnerable to extreme weather events.
- 5) The NZ building code is quite far behind most building codes in the OECD. Incentives to promote higher building standards under territorial and regional plans are tightly constrained. This has facilitated the adoption of bare minimum building practices and contributed to homes being unhealthy and energy inefficient.



- 6) MBIE is actively working with the building and construction sector to reduce emissions from buildings during their construction and operation. The "Building for Climate Change Programme" proposes to develop the framework to reduce whole of life embodied carbon, helping transform operational efficiency, improve health, reduce running costs and improve the resilience of the NZ energy grid.
- 7) The built environment is 20% of NZs emissions. It represents a huge opportunity to improve energy efficiency and reducing the nation's energy demand. If New Zealand significantly improves energy efficiency in new buildings, it will help to reduce peak demand, free up energy capacity for new technologies such as electric cars, and lessen the urgency for developing new energy generation.
- 8) Those buildings and homes gaining fast track will gain considerable advantages in terms of speed and time. This is a huge financial advantage. There is an opportunity to seek these buildings to deliver to higher standards than the building code, reducing running costs, improving grid resilience and helping to prepare the sector for an improved building code
- 9) NZGBC is particularly concerned that:
  - a) The Bill is contrary to the National Party's Blueprint for a Better Environment policy document. The Blueprint for a Better Environment talks about sustainable freshwater, protection of our oceans and marine life, enhancing biodiversity, and opportunities for outdoor recreation. The Blueprint states that with clear, cohesive rules that target better environmental outcomes, growth and prosperity can be achieved within environmental limits. The NZGBC agrees. The Bill will not achieve those outcomes.
  - b) The Bill seeks to circumvent existing environmental safeguards and considerations rather than to streamline the consenting process. It is not evidence based;
  - c) The Bill affords excessive and unfettered power to the joint Ministers. The decision-making entity that refers a project to an expert panel should not be the same decision-making entity that decides whether the consents should or should not be granted. There is a risk that the joint Ministers could be seen to be making decisions for personal gain or prioritising projects that align with their party's own political agenda, or be otherwise influenced by personal connections to an applicant;
  - d) The Bill does not require the panel and the joint Ministers to consider whether the project will support climate change mitigation, adaptation, resilience, and recovery from natural hazards and enable warmer, drier, healthier and more energy efficient buildings;
  - e) The Bill does not encourage or incentivise projects that support climate change mitigation, adaptation, resilience, and recovery from natural hazards and enable warmer, drier, healthier and more energy efficient buildings;

- f) The Bill does not incentivise or require projects to be built to obtain a recognised independent sustainability certification;
  - g) The Bill does not allow the panel to seek public submissions or require it to conduct a hearing. It will not enable affected parties or the public to meaningfully participate in the decision-making process, leading to more robust, enduring outcomes with a social licence.
- 10) In respect of the benefits of requiring independent sustainability certification examples of such certification systems include:
- a) Green Star, run by the NZGBC. A world leading tool for measuring the embodied operational carbon of non residential buildings - enabling low carbon, sustainable, healthy new builds and renovations of buildings;
  - b) Homestar, also run by the NZGBC. This system provides a clear framework for better design and build of more efficient homes;
  - c) Other certification systems include the Passive House Standard and the Infrastructure Sustainability Council's IS Rating System.
- 11) Requiring fast-track projects to certify to these sustainability certifications would help ensure more resilient buildings, reduced construction waste, reduced embodied emissions, and lower running costs through lower energy demand/lower emissions.
- 12) These independent certifications are already widely used in the New Zealand property and construction sector. For example, thousands of homes received Homestar certification in the past year through firms like Fletcher Living, Ockham, Bupa, New Ground Capital, Kiwi Property, Oceania, Arvida, Ōtautahi Community Housing Trust and many others.
- 13) Over 250 buildings have been designed and built to Green Star and mandated government agencies are required to choose buildings with the Green Star and NABERSNZ systems in certain circumstances. Many entities, such as Countdown, Auckland Airport, Argosy Property Limited, Metlifecare, Wellington City Council, Goodman and University of Otago routinely deliver to these levels on their developments. The sector understands and supports these standards.
- 14) Making a sustainability certification a requirement for fast-track projects for larger projects (e.g. +\$10m or residential projects of more than ten dwellings) would impose minimal costs while delivering significant environmental benefits. The added benefit is the peace of mind that the risk of impacts due to climate related events such as flooding has been assessed and disclosed as part of the independent certification process.

- 15) The projects would get all the advantages of faster consenting and also reduce their impacts on landfill, provide healthier homes and buildings that are more resilient to our changing climate, have lower running costs, and reduce pressure on the grid. This aligns with the government's goals of reducing carbon emissions and helps prepare the sector for an improved Building Code. The same could be done with infrastructure projects using the Infrastructure Sustainability Council's IS Rating System.
- 16) Taking this approach will deliver healthier more resilient projects, reduce running costs, free up energy for use for other sectors and support the Government's climate goals.

Decision sought

- 17) The NZGBC seeks that the Select Committee recommend the following:
  - a) That the Bill be amended to strengthen its focus on reducing carbon emissions including by:
    - i. Amending the purpose of the Bill to expressly refer to climate change mitigation and adaptation (clause 3);
    - ii. Amending the information to be included in the referral application to include an assessment of whether the project (clause 14):
      - A. will support climate change mitigation, including the reduction or removal of greenhouse gas emissions;
      - B. will support adaptation, resilience, and recovery from natural hazards;
      - C. will address significant environmental issues;
      - D. will promote, encourage or otherwise enable warmer, drier, healthier and more energy efficient buildings.
    - iii. Amending the eligibility criteria for projects that may be referred to the panel to include whether the project (clause 17):
      - A. will support climate change mitigation, including the reduction or removal of greenhouse gas emissions;
      - B. will support adaptation, resilience, and recovery from natural hazards;
      - C. will address significant environmental issues;

- D. will promote, encourage or otherwise enable warmer, drier, healthier and more energy efficient buildings.
- iv. Amending the relevant clauses to require that new buildings' design and construction obtain recognised independent sustainability criteria. Relevant clauses include eligibility criteria in clause 17, information requirements in Schedule 4 clause 12 and matters to be considered by the expert panel in Schedule 4 clause 34;
- v. Amending the skills and experience the members of a panel must collectively have to include expertise in conservation, environmental management, sustainable building and climate change mitigation, adaptation and resilience (schedule 3, clause 7);
- vi. Amending the criteria in respect of which an application for referral may be declined to include if it is considered that the project may (clause 21):
  - A. hinder climate change mitigation, including the reduction or removal of greenhouse gas emissions;
  - B. hinder adaptation, resilience, and recovery from natural hazards;
  - C. worsen significant environmental issues;
  - D. not promote, encourage or otherwise enable warmer, drier, healthier and more energy efficient buildings.
- b) That a separate entity other than the joint Ministers (e.g. the Environmental Protection Authority) be responsible for determining whether to refer projects to a panel (clause 12);
- c) That the panel be able to seek public submissions and be required to conduct a hearing in respect of large-scale projects.
- d) The Ministry for the Environment recommended that the Bill should not provide for listed projects to get automatic referral, for procedural reasons (eg lack of transparency and iwi engagement). The NZGBC agrees.

Wish to be heard

- 18) The NZGBC wishes to be heard in respect of its submission.

**Submitter details**

Full name: New Zealand Green Building Council

Contact: Andrew Eagles