



Briefing: Final International Visitor Levy Projects and Supplementary Information

To	Minister of Conservation	Date submitted	1 March 2024
Risk Assessment	Low The projects align with the IVL investment plan priorities and meet eligibility criteria.	Priority	Normal
Reference	24-B-0111	DocCM	DOC-7577737
Security Level	In Confidence		

Action sought	Agree to fund the package of projects in Attachment A from the IVL	Timeframe	19 March 2024
Attachments	Attachment A – Package of Projects Attachment B – Supplementary Information on Projects Attachment C – Short Walk and Day Hikes Map		

Contacts	
Name and position	Cell phone
Ruth Isaac, Deputy Director-General, Policy and Regulatory Services	s.9(2)(a)
James Johnson, Manager, Budget and Funding Policy Team	

Executive summary – Whakarāpopoto ā kaiwhakahaere

1. Officials previously provided you with a briefing outlining a proposed package of projects which could be funded out of the International Visitor Conservation and Tourism Levy (IVL, 24-B-0043 refers).
2. After considering the proposed package and discussing it with officials, you have outlined some preferred projects to fund as well as several projects that you wanted more information on before deciding on the funding package. This briefing provides extra information on projects where it was requested, and seeks your agreement to a final package of projects.
3. You indicated a preference for providing IVL funding for the following projects, and also requested some supplementary information:
 - Redeveloping and maintaining the track at Cathedral Cove;
 - s.9(2)(f)(iv) [REDACTED]
 - Enhancing existing iconic short walks and day hikes; and
 - Increasing efforts to keep Aotearoa free of sea spurge.
4. You indicated more information was needed on the following projects before a final decision would be made:
 - Foundational work for the eradication of pigs, cats and mice from Auckland Island / Maukahuka;
 - s.9(2)(f)(iv) [REDACTED]
 - [REDACTED]
 - [REDACTED]
5. You confirmed that the following projects would not be receiving IVL funding:
 - s.9(2)(f)(iv) [REDACTED]
 - [REDACTED]
 - [REDACTED]
6. The full package of possible projects is provided in Attachment A, including our recommended final package. The further detailed information you requested on some of the projects has been provided in Attachments B and C.

We recommend that you ... (Ngā tohutohu)

		Decision
a)	Agree to fund the recommended package of projects in Attachment A from the IVL	Yes / No
b)	Note that supplementary information on the projects has been provided in Attachments B and C	



Date: 29 / 2 / 24

Ruth Isaac
Deputy Director-General
Policy and Regulatory Services
For Director-General of Conservation

Date: / /

Hon Tama Potaka
Minister of Conservation

Purpose – Te aronga

1. To seek your agreement to fund a package of high-priority projects using the International Visitor Conservation and Tourism Levy (IVL), which align with the IVL Investment Plan 2023.

Background and context – Te horopaki

2. Officials previously provided you with a briefing outlining a proposed package of projects which could be funded out of the IVL, as well as some extra projects that could be funded if you preferred (24-B-0043 refers).
3. After considering the proposed package and discussing it with officials, you have outlined some preferred projects to fund as well as several projects that you wanted to see more information on before deciding.
4. This briefing follows on from that initial briefing and provides the requested follow up information to support you to decide on the rest of the projects to fund out of the IVL.
5. As of January 2024, there is approximately \$26m worth of funding available for conservation projects. This is forecasted to grow by an additional \$20m by the end of June 2024. The fund will continue to grow as the IVL generates revenue.

Previously proposed IVL package

6. The initial package proposed by officials consisted of the following projects, with a total cost of approximately \$25m:
 - Foundational work for the eradication of pigs, cats and mice from Auckland Island / Maukahuka;
 - s.9(2)(f)(iv) [redacted]
 - [redacted]
 - Redeveloping and maintaining the track at Cathedral Cove;
 - s.9(2)(f)(iv) [redacted]
 - [redacted]
 - Increasing efforts to keep Aotearoa free of sea spurge.
7. The other projects that were provided as possible alternatives included:
 - s.9(2)(f)(iv) [redacted]
 - [redacted]
 - [redacted]
 - Enhancing existing iconic short walks and day hikes.

The final package of IVL projects

8. You have indicated a preference for the following projects, and in some cases have asked for further information as well:
 - Redeveloping and maintaining the track at Cathedral Cove;
 - s.9(2)(f)(iv) [redacted]
 - Enhancing existing iconic short walks and day hike; and

- Increasing efforts to keep Aotearoa free of sea spurge.
9. These projects have a total estimated cost of \$14.16m, leaving just less than \$12m available for choosing possible projects to fund. Attachment A has our recommended list of projects which can be funded out the IVL, as well as their estimated costs.
 10. You have indicated that you need further information on the following projects before deciding on whether to include them in the final package of funded projects. The extra information is provided in Attachments B and C.
 - Foundational work for the eradication of pigs, cats and mice from Auckland Island / Maukahuka;
 - s.9(2)(f)(iv) [REDACTED]
 - [REDACTED]
 - [REDACTED]
 11. We recommend including the foundational work on Auckland Island s.9(2)(f)(iv) [REDACTED] [REDACTED] These are the highest priority projects from the Department's perspective.
 12. s.9(2)(f)(iv) [REDACTED] [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

Further information on Wilding Conifers and Jobs for Nature

13. When meeting with officials you asked for further information on some related projects including the funding gap for managing wilding conifers and examples of Jobs for Nature Projects that can be funded through the IVL. While not included in the proposed package in Attachment A, these could be funded through future IVL funding.

Wilding Conifers

14. The current budget for this financial year between DOC and MPI for the Wilding Conifer Control Programme is: \$17.5 million. This is made up of annual funding for the programme of \$10.5 million and supplementary IVL funding from 2023 providing an extra \$7.5 million. This is enabling approximately 300,000 extra hectares of deferred maintenance to occur.
15. There is still a shortfall of around \$8 million in 'deferred maintenance' this year, to reach the Programme's estimate of \$25 million/annum needed to maintain current Management Units – ie: in areas that have received control through Jobs for Nature / Wilding Conifer Control Programme funding to date.
16. Ongoing MPI programme funding is confirmed at \$10 million/annum into the future. \$35 million/annum is the estimated level of funding needed to bring in the next priority management units and prevent spread into new regions. We understand MPI is developing advice for ministers on funding options.
17. Further IVL funding could be used to plug some of the funding gap in the short term, but this would have implications for other projects receiving funding through the IVL. We don't consider using IVL funding as a sustainable long-term funding solution for wilding conifer control.

18. DOC has also planned for our operations teams to undertake 35,000ha of our own wilding conifer control, funded from baseline. This doesn't meet the low range of our non-financial planning levels which seeks 80,000ha to be controlled.

Jobs for Nature

19. There are a number of Jobs for Nature projects which could be considered in future funding rounds. While we see these as important projects to continue, we do not consider them to be as high priority as those outlined in attachment A for the current IVL funding round. Projects such as:
- Nga Awa Whanganui: Te Awa Tupua o Whanganui, Manawatū-Whanganui (\$7.8M), Ngā Tāngata Tiaki Custodian Trustee Limited;
 - Te Waipounamu/South Island Threatened Species Recovery, Canterbury (\$5.1M), DOC in partnership with Ngāi Tahu; and
 - Tū Mai Taonga – Aotea Great Barrier Island, Auckland (\$2.1M), Ngāti Rehua Ngātiwai Ki Aotea Trust Board.
20. We are providing further detail to you on these, and other, exemplary projects in March.

Risk assessment – Aronga tūraru

21. We consider proceeding with the proposed investments to be low risk. The projects all fit with the Investment Plan priorities and meet the eligibility criteria.

Treaty principles (section 4) – Ngā mātāpono Tiriti (section 4)

22. Projects funded through the conservation portion of the IVL must demonstrate how they have considered the Treaty principles. The previous briefing outlined in more detail how each of the projects have done this (24-B-0043 refers).

Consultation – Kōrero whakawhiti

23. We have informed MBIE of this briefing and the proposed projects, in line with the approach outlined in the IVL Investment Plan.

Financial implications – Te hīraunga pūtea

24. Any funding decisions made now will influence the amount of the money available in the short term for other priorities, such as providing options for enhancing visitor experience at Waiau-Toa/Molesworth.

Legal implications – Te hīraunga a ture

25. There are no legal or legislative implications to this funding decision.

Next steps – Ngā tāwhaitanga

26. We seek final decisions on the projects you wish to include in this funding round.
27. Based on your selections, we will prepare further detailed internal business cases for the chosen projects so the funding can be allocated and projects can progress. We will seek your agreement to future projects funded through the IVL early in 2025 as an annual process, s9(2)(f)(iv) . However, funding can be used sooner if other priority projects arise which need funding.

ENDS

Attachment A - Package of Projects

Recommended package

Project	description	Total IVL funding	To be included in the package (Yes/No)
Redeveloping and maintaining the track at Cathedral Cove	Enable the planning, build and reopening of an overland track to Cathedral Cove. This will enable it to reopen by the end of 2024.	\$5m	Yes/No
s.9(2)(f)(iv)			
Enhancing existing iconic short walks and day hikes	Track enhancement and remediation of DOC's branded Short Walks and Day Hikes as the network is growing to approximately 45 tracks over the next three years. This is to ensure the quality of the experience on our most iconic tracks aligns with visitor expectations.	\$6m	Yes/No
Increasing efforts to keep Aotearoa free of sea spurge.	Prevent sea spurge, an aggressive, transformative coastal weed, from becoming widely established in Aotearoa New Zealand.	\$1.28m	Yes/No
Foundational work for the eradication of pigs, cats and mice from Auckland Island / Maukahuka	Undertake readiness activities so mammalian predators can be eradicated from Auckland Island. Eradicating pests from Auckland Island is the final step in over 30 years of investment in restoring the subantarctic world heritage area.	\$3.65m	Yes/No
s.9(2)(f)(iv)			
Total:		\$25.81m	

Extra project outside our recommended package:

s.9(2)(f) [redacted] (iv) [redacted] [redacted] [redacted]	[redacted] [redacted] [redacted] [redacted]	[redacted]	[redacted]
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Attachment B - Supplementary Information on Projects

Project	Requested information
<p>Redeveloping and maintaining the track at Cathedral Cove</p>	<p>What have we spent on upgrading the track in the past? How does this relate to the current proposal?</p> <p>Previous costings for Cathedral Cove:</p> <ul style="list-style-type: none"> • Full upgrade of the Cathedral Cove track - \$611,600 (GST exclusive) - 2017 • Proposal to improve visitor flow and infrastructure resilience of staircase to access beach - \$120,000 (GST exclusive). This build was not completed and the infrastructure was destroyed in 2023. <p>We have spent \$171,000 on repair works at Cathedral Cove since Cyclone Gabrielle – this does not include staff time.</p> <p>IVL funding is requested to cover more than the previous estimates did due to cyclone damage remediation, new resilient infrastructure requirements, and visitor risk mitigations. This could cover, depending on the options selected:</p> <div data-bbox="411 891 1401 1637" style="background-color: black; color: white; padding: 5px;"> <p>s9(2)(b)(ii), 9(2)(i)</p> </div> <p>Please note: indicative costings.</p> <p>Our final figure of \$5m in the project list in Attachment A accounts for extra capital funding which can be swapped for ongoing opex funding. This ensures DOC is not increasing depreciation liabilities through this project.</p>
<p>s.9(2)(f)(iv)</p>	<p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>

s.9(2)(f)(iv)

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Enhancing existing iconic short walks and day hikes

A full map of the Short Walks and Day Hikes we currently have and where the new ones will be is found in Attachment C

How do these relate to our current closed tracks:

Currently 46 Tracks remain closed due to the cyclone. Of these, work is being done to reopen 11 and are tracking for a June reopening. For the remainder, we are considering options and engaging with stakeholders on the possibility for retreating, reimagining, as well as future visitor network thinking as to whether we will re-open them.

There are over 1500 tracks managed by DOC in the North Island.

More than 90% of about 500 visitor sites on public conservation land across the North Island which closed due to weather events last summer have been checked, cleaned up, repairs completed and re-opened to the public.

About 65 visitor sites including tracks, camps and amenity areas remain closed to the public – these include sites with minor and major damage and sites in the Coromandel and Hawke’s Bay that can’t be accessed due to damage to roads.

Increasing efforts to keep Aotearoa free of sea spurge.

What control methods are there beyond manual removal?

Herbicides can successfully control sea spurge. In Australia hand pulling and/or spot spraying with herbicide are used for small infestations, while aerial boom spraying is done for large infestations.

In NZ spot spraying has been used to initially control the two largest infestations. However, because we are aiming for eradication at a site, i.e. all individuals need to be found and killed, hand-pulling while searching is an efficient method of removal (small plants are easy to remove by hand). It also ensures plants are completely killed, and there is little impact on the surrounding vegetation. Correct PPE must be used.

Hand-pulling also makes it easy to count the number of plants removed every 4 months. The counts inform us on whether the sea spurge population is tracking towards eradication (multiple visits with zero plants found). This information is being used for future sea spurge management and costing.

	<p>Should we be doing more to find a tool?</p> <p>We have adequate control tools for sea spurge when we find it. DOC also ran a successful trial at the Kahurangi National Park site to remove the seedbank, this significantly reduced the number of plants establishing over time, with only 1 found in the last 18 months.</p> <p>The development of better surveillance tools is required and will improve our ability to find sea spurge (e.g. the use of detection dogs or drones/aerial imagery).</p> <p>Where are we currently doing control and where we could we do more control?</p> <p>For areas where DOC controls sea spurge:</p> <table border="1" data-bbox="416 555 1465 1196"> <thead> <tr> <th>Location</th> <th>Sites to be managed</th> <th>Date infestations found</th> <th>Management status</th> </tr> </thead> <tbody> <tr> <td>Scott's Beach Kahurangi NP</td> <td>1</td> <td>2020</td> <td>Best practice established. Population declining, no plants found in >1 year.</td> </tr> <tr> <td>Kāpiti and Manawatū coastline</td> <td>18 (with support of Regional Councils)</td> <td>2019-2023</td> <td>Best practice established. Infestations still being found. Ongoing control and surveillance of coastline required for several years.</td> </tr> <tr> <td>Dargaville</td> <td>1</td> <td>Nov 2023</td> <td>Need to establish best practice. Surveillance required to check for other infestations along the coastline.</td> </tr> </tbody> </table> <p>Although the other sea spurge sites are managed by regional councils, the IVL funding will allow DOC to undertake surveillance at some of our most susceptible, high biodiversity coastal sites.</p>	Location	Sites to be managed	Date infestations found	Management status	Scott's Beach Kahurangi NP	1	2020	Best practice established. Population declining, no plants found in >1 year.	Kāpiti and Manawatū coastline	18 (with support of Regional Councils)	2019-2023	Best practice established. Infestations still being found. Ongoing control and surveillance of coastline required for several years.	Dargaville	1	Nov 2023	Need to establish best practice. Surveillance required to check for other infestations along the coastline.
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<p>Foundational work for the eradication of pigs, cats and mice from Auckland Island / Maukahuka</p>	<p>Auckland Island / Maukahuka's importance for biodiversity:</p> <p>Auckland Island / Maukahuka is recognised for its outstanding natural heritage values. The island is recognised internationally through its status as a UNESCO World Heritage site, one of only two such sites in New Zealand.</p> <p>The Auckland Islands are the most biologically rich of the NZ Subantarctic Islands Area. All except the Snares have associated marine reserves. The Islands are a stronghold of taonga, harbouring remarkable and rare subantarctic flowers and animals. Their isolation in the productive waters of the Southern Ocean has shaped extraordinary adaptations and unique biodiversity, represented by over 500 native species.</p> <table border="1" data-bbox="416 1738 1445 2020"> <thead> <tr> <th>Life form</th> <th>Native species</th> <th>How many are endemic species (found nowhere else)</th> <th></th> </tr> </thead> <tbody> <tr> <td>Vascular plants</td> <td>196</td> <td>5</td> <td>Richest flora of all New Zealand's subantarctic islands</td> </tr> </tbody> </table>	Life form	Native species	How many are endemic species (found nowhere else)		Vascular plants	196	5	Richest flora of all New Zealand's subantarctic islands								
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Invertebrates	>280	95	Largest number of invertebrates of all New Zealand's subantarctic islands
Land birds	13	6	Highest count for any of New Zealand's Subantarctic islands
Seabirds	25	3	Globally significant site for many species

NZ's subantarctic is arguably the seabird capital of the world with more than 40 species of seabird which rely on the islands for breeding (11% of the world's seabird species). These include three great albatross (Gibsons, Antipodean and Southern Royal) and three in the mollymawk group (Campbell, Salvins and white-capped) and tens of species of burrowing petrels.

The large number and diversity of seabirds includes four species of penguin that breed there – Hoiho Yellow-eyed penguin, endemic Erect Crested and Snares Crested penguin and the Eastern Rockhopper.

Auckland Island / Maukahuka is the main breeding ground for the Southern Right Whale. It is a breeding ground for NZ Sealion and important refuge for fur seals which were once hunted to near-extinction. It is also a World Centre of Floristic Diversity (International Union for the Conservation of Nature; IUCN).



Figure 1 Clockwise from top left: *Stilbacarpa polaris*, *Anisoteme*, *Bulbinella*, *rata*, tussock tops, coastal forest understorey, *rata* forests from above; (photos of megaherbs and intact understorey are from pest-free Enderby Island in the group)

There are 15 endemic species of land and fresh-water birds including Antipodes parakeet and flightless birds include several subspecies of Subantarctic snipe and the Auckland Island rail.



Auckland Island teal, Auckland Island snipe, Auckland Island falcon, Auckland Island Banded Dotterel, Auckland Island pipit

Outcomes:

Invasive mammals are a threat to global biodiversity, especially on islands where endemic species are particularly vulnerable. After nearly 30 years of pioneering pest control work in the NZ Subantarctic Islands Area, Auckland Island / Maukahuka is now the last of these islands where mammalian pests remain. Introduced pigs, mice and cats on have inflicted severe ecological damage over the past 200 years and continue to erode the ecological integrity of the island.



Left: pig rooting on Auckland Island, Right: fields of megaherbs on pest free Campbell Island



Left: presence of pigs decimating understorey; Right: absence of pigs

Eradicating invasive mammals on Auckland Island / Maukahuka would provide important momentum for the national Predator Free 2050 goal via development of capability in several fields of pest management technologies demanded by the step change in scale required for the project. The project would help to leverage investment in conservation, including progression of conservation goals in the global subantarctic area.

Successful eradication of mammalian pests would complete the vision of a pest-free NZ Subantarctic Islands Area and enable permanent recovery of native wildlife over time. It will also reduce the risk of incursions to other pest-free islands in the region and associated catastrophic consequences and response costs.

What revenue/concessions income does the Department receive from the Subantarctic islands?

The main source of revenue from the Subantarctic Islands comes from the Visitor Management Fee (VIM) of \$405 per person. Revenue from the VIM is used for operational management of the Subantarctic Islands with a focus on maintenance of infrastructure and biodiversity/biosecurity requirements.

Year	VIM Revenue
2019/20	\$365,715
2020/21	\$0 (COVID –waiver of VIM fee)
2021/22	\$98,865 (COVID partial waiver of VIM fee)
2022/23	\$444,825
2023/24	\$674,730 (Forecasted revenue as season still in progress)

National biodiversity funding is budgeted to deliver high priority research and monitoring outcomes. This money comes via the department and via the Commercial Fishing Industry (approx. 50% split). This funding varies from year to year and ranges from \$500,000 to \$950,000.

Over the last two years there has been \$500k of unsolicited donations from tourists. These donations are for the Predator Free Maukahuka eradication programme. This money is held in a Trust for the specific purpose of the Maukahuka project.

How many people visit the islands? And what is purpose of the visit ie: DOC staff, Researchers, Tourists?

Visiting the Subantarctic Islands is closely managed via the Southland Murihiku Conservation Management Strategy which currently has a limit on the amount of tourism-based visitation. Tourism based visitation is closely linked to Antarctic tourism and is always as a day visit. The following are numbers of tourist visitors since 2019.

Year	Tourism Visitor Numbers
2019/20	903
2020/21	241(COVID)
2021/22	261(COVID)
2022/23	1097
2023/24	1666 (Forecasted numbers as season still in progress)

DOC Staff and external researchers visit the Subantarctic Islands to undertake several different operational functions such as infrastructure maintenance and biodiversity work, including monitoring and research. These numbers vary from 40 to 60 people annually. The length of these stays vary from seven days to three months, hence the need for suitable infrastructure to support safe and healthy living.

s.9(2)(f)(iv)

[Redacted]

[Redacted]

