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Te Whare Māngai o Aotearoa

Environment Committee
Komiti Whiriwhiri Take Taiao

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2024/25 Annual review of the Environmental Protection Authority

Presented to the House of Representatives
by Catherine Wedd, Chairperson

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Environmental Protection Authority

Recommendation

The Environment Committee has conducted the annual review of the Environmental Protection Authority for 2024/25, and recommends that the House take note of its report.

About the Environmental Protection Authority | Te Mana Rauhi Taiao

The Environmental Protection Authority (EPA) is a Crown entity established under the Environmental Protection Authority Act 2011. The EPA is responsible for a range of regulatory functions related to environmental management. Its objective is to contribute to the efficient, effective, and transparent management of New Zealand's environment and natural and physical resources, and enable New Zealand to meet its international obligations.

Barry O'Neil was appointed as the board chair in April 2025. Paul Connell had acted as the interim board chair after Colin Dawson stepped down in September 2024. The chief executive has been Dr Allan Freeth since 2015. In November 2025, Dr Freeth informed the board of his intention to step down as chief executive on 30 June 2026.

Summary of 2024/25 performance and audit results

The EPA's total revenue for 2024/25 was \$49.52 million. Its expenditure was \$49.11 million, resulting in a small surplus of \$419,000. The EPA has consistently operated with a deficit in previous years, so we are pleased with this result. We understand that the EPA implemented a cost-reduction programme to achieve this by reducing reliance on external consultants, downsizing its workforce, downscaling its community outreach programmes, and limiting or deferring long-term investment projects.

Financial trends

	2021/22 \$million	2022/23 \$million	2023/24 \$million	2024/25 \$million	Change in 2024/25
Revenue	31.19	36.86	44.96	49.52	10.1%
Expenditure	35.11	38.73	48.51	49.11	1.2%
Net surplus or (deficit)	(3.92)	(1.86)	(3.55)	0.42	—

Audit results

The auditor issued a standard audit report, indicating he was satisfied with the accuracy of the information that was audited. The entity's systems and controls—its management control environment, its financial information and supporting systems and controls, and its

performance information and supporting systems and controls—were all assessed as “very good”.

Fast-track consenting regime

The Fast-track Approvals Act 2024 set up a streamlined process to obtain resource consent and other approvals for certain infrastructure and development projects. Under the Act, the EPA is responsible for:

- deciding whether applications are complete and within scope
- coordinating all information and approvals required from various regulatory agencies and authorities
- managing the cost-recovery process
- providing secretariat support to the panel conveners and expert panels.¹

Cost-recovery model

At our previous annual review, we spoke with the EPA about how new fast-track applications would be processed and funded.² We requested an update. Under the Act, ongoing operational costs are recovered by charging applicants a levy and application fee. The intention is for the regime to be cost-neutral, so that operational costs are entirely recovered from applicants. Applicants cover actual and reasonable costs incurred by government agencies, local authorities, panel conveners, and expert panels. The EPA was granted a \$10 million Crown loan for the upfront cost of establishing the systems and processes needed to implement the new fast-track process. The loan term is for five years. The EPA told us that this loan had allowed it to set up a new business system to support the fast-track applications and decision-making mechanisms. As it said last year, the EPA emphasised that its ability to pay back the loan is dependent on the volume of fast-track applications. It would need 50 applications a year until 2029 for it to pay the loan back with its accrued interest. Between December 2024 and December 2025, 49 applications were lodged.

The EPA said that operational costs are “well in excess of what we first modelled”. The EPA said that, initially, costs incurred by agencies, local authorities, and expert panels for each application were projected to be around \$250,000, whereas now it estimates some applications to incur costs of more than \$500,000. There are two types of applications: those listed in Schedule 2 of the Act and those referred to the Minister for consideration. Each attracts a levy. The Ministry for the Environment will review the application fee and levy amounts in early 2026. The EPA told us that it is intending to submit on that review in favour of the application fee being increased.

Some of us have heard that some councils have felt unable to pass the application fee on to applicants. Consequently, councils have absorbed some of the costs. The EPA commented that it has seen councils taking time to adapt to the fast-track regime, and that they are often still approaching applications as if they were under the Resource Management Act 1991.

¹ Expert panels are independent decision-making bodies set up to assess project applications to the fast-track process. The panel convener is responsible for convening an expert panel. For more information on the fast-track process, see: [Process overview | Fast-track Approvals Process](#).

² Our 2023/24 annual review report of the EPA can be found on [the Parliament website](#).

The EPA told us it has had “reasonably tense” conversations with some councils encouraging them to pass costs on.

Processing applications

We discussed how the EPA provides secretariat support to the expert independent panels that analyse applications and decide whether to approve them. As part of this, the EPA ensures that applications are complete. If there are information gaps, or if local authorities have raised issues that have not been clarified, an application would be deemed incomplete. The EPA said it can add to an application’s processing time and cost when councils do a more thorough up-front analysis of an application than required by the fast-track process.

Some of us expressed concern about comments the Minister for Resources made about the EPA’s handling of fast-track applications in August 2025. The EPA told us that it has met all deadlines required of it under fast-track legislation and does not have concerns about how its organisation undertakes this work.

Some of us sought the EPA’s view on whether there has been any ministerial interference in the administration of the fast-track approvals regime. The EPA said it is aware of the boundaries it must maintain as a Crown entity and its statutory independence as a regulator. It described being independent as “that we are open to hearing views, but that we make our own decisions”. The EPA noted that it is monitored by the Ministry for the Environment, and regularly communicates with the ministry and the Minister.

Feedback on processes

We asked whether the EPA has received feedback from applicants on submitting a project under the fast-track approvals process. The EPA told us that it gets “very good feedback from the applicants”. It said that tension sometimes occurs if it deems an application incomplete; the EPA only has 15 days to form a view of an application and may only deem it incomplete late in that period. We heard that some amendments introduced by the Fast-Track Approvals Amendment Act 2025 aim to make the process easier and clearer for applicants.

The EPA also mentioned that it is getting “amazing feedback” from panels on the support it is providing them. As of December 2025, there were 19 active panels. We asked whether the panels felt they were receiving the right amount of information or were having to go back to the EPA to ask applicants for further detail. The EPA told us it considers it has the level of detail “about right”. Parties hold pre-panel conferences and identify significant information gaps at that stage. We suggest that the EPA could run a formal feedback process with panel members in future.

Cultural fit for the EPA

We referred to comments by the chief executive at our last annual review hearing about the role of the EPA in administering the fast-track approvals process, and were interested in whether the chief executive’s view had changed. The chief executive stated that “it’s very unusual for an environmental protection authority to have this type of model.” However, the EPA said that running decision-making panels is something it is good at, as it has been supporting the Hazardous Substances and New Organisms Committee for many years. In its

branding, the EPA has tried to separate off its prime focus on environmental protection and regulation from the work it does to support the fast-track regime.

Hazardous substances: processing of applications

The EPA is responsible for assessing whether hazardous substances can be used in New Zealand. Once approved, a substance may be used in New Zealand in perpetuity.

Speed of assessments

We are aware that some companies in the agriculture and horticulture sectors are concerned about the time it takes the EPA to assess new substances. We have heard comments that this can be particularly frustrating when substances, like fertilizers or herbicides, have already been approved for use in other countries. The EPA told us it has been struggling to process applications in a timely manner due to insufficient resourcing, and backlogs after the COVID-19 pandemic. The Ministry for Regulation | Te Manatū Waeture conducted a review of the EPA's regulatory handling of agricultural and horticultural products in 2024, with the final report published in February 2025.³ The EPA told us the review found that its performance was comparable to other regulators internationally, but that its resource to process applications was inadequate compared to other countries. The EPA said that its funding for assessing hazardous substances is 7 percent of what is spent in Australia.

The Ministry for Regulation's review made 16 recommendations, which the EPA has begun to implement. For example, its resourcing has been increased; 13 new people have been employed. A big element of the recommendations is regulatory change. The Government intends to introduce an omnibus bill to amend the Hazardous Substances and New Organisms Act 1996. This would include introducing conditional approval, to enable products that have been assessed overseas by a trusted regulator to be used in New Zealand.

The EPA said it is starting to see a reduction in the time that assessments are taking to process, and it is able to process more. At the start of 2024/25 there were 121 applications in the queue; this was down to 87 at the start of 2025/26. Of the 62 applications processed by the EPA in 2024/25:

- 49 were rapid assessments (non-notified)
- 8 were category A substances (existing active ingredients, may be publicly notified)
- 3 were category B substances (existing active ingredients, may be publicly notified)
- 2 were category C substances (at least one new active ingredient, typically publicly notified).

Although we were pleased to hear about the progress made, some of us observe that it is often the category C substances that are likely to see greater economic benefit to growers and farmers. The EPA emphasised that its processes have to be thorough as it approves substances for use indefinitely, unlike overseas regulators which might approve a substance for 5 or 10 years.

³ The report can be read on [the Ministry for Regulation's website](#).

Unique assessment considerations for New Zealand

We heard that ecotoxicologists play a vital role in assessing whether a substance is safe for introduction into New Zealand. One of the challenges is that there is no training available in New Zealand for this speciality, so the EPA must fund ecotoxicologists from abroad. We enquired how international ecotoxicologists account for New Zealand's unique environment. The EPA explained that it uses ecotoxicology models and tools to assess hazardous substances and to calculate a chemical's endpoint concentration, or concentration level that can be tolerated in the New Zealand environment. The models must account for vulnerable species, such as native invertebrates and birds. The EPA currently has a project to modernise its ecotoxicological models to align with international best practices. The EPA said that it normally requires substances to be assessed in alignment with OECD guidelines and standard international approaches, but it is also important to take "New Zealand's unique fauna and flora" into account. We heard that it would be very unusual to be able to pick up an assessment of a substance conducted overseas and apply it directly to New Zealand.

Support to applicants

Some of us have heard that some applicants for substance assessments have reported that they are unhappy with the service provided by the EPA; some applicants have said they had been unable to contact the EPA for updates. The EPA offered to follow up with those who had concerns. It acknowledged that it can be frustrating for industry if it is taking time to assess an application. It aims to inform applicants of their position in the queue for assessments, especially for category C substances. The board aims to engage with all industry bodies to understand where issues lie and to manage expectations.

Upgrading the Emissions Trading Register

At our last annual review of the EPA, we heard that it had advised the Minister for Climate Change that the New Zealand Emissions Trading Register should be replaced. The register is where emissions units and other information for the Emissions Trading Scheme is tracked. The EPA said the register is 14 years old but is "fit for purpose for what it does". Further development of the software has been frozen, and EPA cannot make changes to the core code. The register was built under an old software architecture that is no longer used. The EPA has been in discussions with Ministers and the Ministry for the Environment about upgrading or rebuilding the register for the last few years.

Asked how urgent an upgrade is, the EPA explained that as long as the code is not altered it will not wear out. Its concerns are more around it not fulfilling government need as it cannot be updated if policy were changed. We heard that building a new system would be expensive.

Forestry in the Emissions Trading Scheme

We heard that the EPA delegates responsibilities associated with forestry in the New Zealand Emissions Trading Scheme to the Ministry for Primary Industries | Manatū Ahu Matua (MPI).⁴ These functions are managed independently and MPI can set its own fees to

⁴ More information can be found on MPI's website: [Forestry in the Emissions Trading Scheme](#).

cover the costs of registering and auditing forestry companies. Once it has collected information from the forestry organisations, MPI passes it to the EPA to add to the Emissions Trading Register. The EPA audits MPI to ensure decisions made under the delegation are accurate.

Other matters considered

We also discussed the following matters. For more detail, refer to the pages noted below in the [*Hansard* transcript of our hearing](#), available on the Parliament website.

- **Cost reduction programme**—We discussed how the EPA has reduced its staffing by disestablishing 43 roles, 23 of which were vacant. We heard that the engagement team was most affected and that other business units have taken over that work. (*Transcript pp 3–4, and responses to written questions 56–57.*)
- **Compliance monitoring and enforcement**—In 2024/25, the EPA concluded 271 compliance cases, with 139 finding no breach of rules. We discussed the resourcing effects of this compliance work and how the majority of cases were minor breaches. Areas of work the EPA has focused on include emission returns for forestry and the handling of ozone-depleting gases. (*Transcript pp 4–5 and p 33.*)
- **Debt from repealed approvals processes**—We requested an update on the debt the EPA is holding from the COVID-19 Recovery (Fast-track Consenting) Act 2020 and the Natural and Built Environment Act 2023, both of which are now repealed. (*Transcript pp 6–7.*)
- **Regulation of gene technologies**—We discussed the Gene Technology Bill, awaiting its second reading in the House at the time of our hearing, and the role the EPA would play as regulator, if the bill is passed. (*Transcript pp 18–20, and responses to written questions 61–63.*)
- **Reassessment of hazardous materials**—We discussed how hazardous substances may be reassessed under certain conditions. The EPA can undertake one or two major reassessments a year. (*Transcript p 25.*)
- **Research and development of substances**—We discussed whether conditions in New Zealand encourage chemical companies to research and develop new products. The EPA said there was no queue for research and development as it is able to process this type of application quickly. (*Transcript pp 27–28.*)
- **Rapid assessments of hazardous substances**—The EPA described the four different pathways in legislation through which a substance may qualify for a rapid assessment. (*Transcript p 28.*)
- **Citizen science programmes**—We asked the EPA whether it had plans to expand citizen science engagement programmes, such as Wai Tuwhera o te Taiao | Open Waters Aotearoa which focuses on environmental DNA. (*Transcript pp 33–34.*)
- **Comments from the outgoing chief executive**—We invited comments from Dr Freeth about his decision to resign as chief executive and his views on the future of the EPA. (*Transcript pp 34–35.*)

Appendix

Committee procedure

We conducted a standard annual review of the Environmental Protection Authority for the 2024/25 financial year. On 4 December 2025 we heard evidence from the EPA for 1 hour and 37 minutes and received advice from the Office of the Auditor-General. We sent written questions to the EPA for response. We met again on 26 March 2026 to finalise this report.

Committee members

Catherine Wedd (Chairperson)

Hon Rachel Brooking

Hon Marama Davidson (until 11 February 2026)

Hon Julie Anne Genter (from 11 February 2026)

Ryan Hamilton

Cameron Luxton

David MacLeod (from 17 December 2025)

Grant McCallum

Katie Nimon (until 17 December 2025)

Lan Pham

Hon Priyanca Radhakrishnan

Hon Melissa Lee, Hon Dr Deborah Russell, and Celia Wade-Brown also participated in our consideration.

Related resources

The following material is available on the Parliament website:

- [the Environmental Protection Authority's annual report](#)
- [the briefing paper we received from the Office of the Auditor-General](#)
- [responses from the Environmental Protection Authority to our written questions](#)
- [the *Hansard* transcript of our hearing](#)
- [a recording of our hearing](#).