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Kia ora

Modernising Conservation Land Management and Exploring Charging for Access to some Public Conservation Land

Tourism Industry Aotearoa welcomes the opportunity to submit on the two consultation papers prepared by the Department of Conservation on reforms of the conservation legislation and management system. This submission covers both consultation documents.

TIA supports the reform of the conservation system in New Zealand to ensure that it can support and enable visitor-related activities on New Zealand's conservation lands and waters. This reform has been called for by TIA for an extended period, and we are fully committed to assist in ensuring that the reforms reset the conservation system for the betterment of both tourism and conservation.

Overall position

TIA has a clear vision on how the tourism and conservation interface can be developed and improved and we are excited that we can now put this into place.

1. **Embedding Tourism in the Conservation Management System: We must ensure tourism is appropriately included in the regulatory framework for the conservation system.** This involves the legislation, the National Conservation Policy Statement (NCPS) and Area Plans. We envisage that a set of Principles for the conservation and tourism interface will be embedded in these strategic documents to give clear guidance and direction for the place of tourism in the Conservation Management System for decades to come.
2. **Concession Certainty: The most important issue with the concession system is uncertainty around the tenure of the concessions held by operators and the incentives to invest.** It is imperative that the concession system is thoroughly modernised to meet current and future needs. TIA's members consistently tell us that with uncertainty, they simply cannot invest in the facilities and products that are desperately needed to lift capacity and quality levels. While TIA welcomes the proposals to streamline the concession processes, we are very concerned that widespread use of competitive tendering will serve to further reduce security of tenure, rather than increase it. It is imperative that the reforms create an enabling investment environment where concessionaires contribute to better visitor experiences, better conservation outcomes and a larger contribution to the national economy.
3. **Equitable Access Charging:** It is critical that the total cumulative cost incurred by visitors across the funding environment is considered before any new charges are established. TIA is therefore cautious on the proposal to introduce access charges. It is fair to say TIA's membership has a range of views on this. For instance, most international visitors pay the \$100 IVL, with half previously earmarked to conservation;

visitors can pay user charges such as hut fees, camping and the Great Walks, and will contribute to the concession fee paid by a concessionaire if they use a commercial service. Together, these charges can add up for individual visitors and there should be transparency around this for the visitor. On balance, we consider DOC should be provided with the authority to charge an access fee, but in each place a charge might be used, key factors such as the holistic revenue position and its visitor mix must be considered before any charge is introduced. TIA supports, as standard practice, that revenue gained will be invested where it is collected to ensure benefit for those paying the charge.

Overall, the proposed reforms look positive, with some concerns as we interpret the proposals as set out in the consultation documents. We recognise that the consultations mark an early stage of a longer process and that more detail will be developed over the period ahead. TIA is committed to supporting this process to ensure the most optimal outcomes for all parties involved. **We actively offer our partnership to work with DOC on these important issues.**

Tourism Industry Aotearoa

TIA is the peak body for the tourism industry in Aotearoa New Zealand. With around 1,200 member businesses, TIA represents a range of tourism-related activities including hospitality, accommodation, adventure activities, attractions, retail, airports and airlines, transport, as well as related-tourism services.

TIA is sharply focused on ensuring the balanced growth of the industry, and this is clearly articulated in our key guiding documents and programmes. This includes the tourism industry's strategic framework, *Tourism 2050 – A Blueprint for Impact, He Pae Tukutuku*.¹

This has the Vision of 'Enriching Aotearoa New Zealand through a flourishing tourism ecosystem'. This Vision is centred on the positive role of tourism for the broad betterment of New Zealand and its people across a balanced framework – Economic, Community, Visitor and Environment.

Tourism 2050 has just ten Actions that are the most important strategic workstreams to advance to enable the industry to achieve its Vision. Action 7 is 'Transform Tourism and Conservation'.

Tourism 2050 states '*... tourism has a profound ability to contribute to the wellbeing and restoration of conservation lands and places, and getting operators well lined up with the Department of Conservation will result in important gains for nature and more streamlined processes for both operators and DOC itself.*'

Under this Action, the key sub-actions are:

1. Industry and DOC to establish a process for optimising tourism and conservation settings and outcomes for Te Taiao, visitors and operators under the current legislative framework.
2. Industry to engage with DOC on how it can support the modernisation of complex conservation legislation that specifies much of the tourism and conservation settings.

This process is a once-a-generation opportunity to deliver a conservation system that delivers for both tourism and conservation over the decades ahead. TIA's contribution to this process is designed to support optimal outcomes over the long term.

The other important aspect of TIA's interest is that it developed and champions the New Zealand Tourism Sustainability Commitment (TSC). The TSC is designed to support operators to advance 12 Commitments, one of which is conservation-related:

¹ <https://www.tia.org.nz/tourism-2050/>

Restoring Nature - Contribute to protecting and enhancing Aotearoa New Zealand's environment, including water, biodiversity, landscapes and clean air.

The purpose of this Commitment is to build the contribution of tourism operators to supporting nature, whether directly, for instance, through predator control or wilding pine removal, or indirectly through supporting community conservation initiatives or contributing funding. Often, TSC operators work in collaboration with DOC, reinforcing shared objectives and outcomes. Cumulatively, this equates to a lot of effort to better nature in our country as indicated in the Annual Return 2024 from TSC businesses:

- 99% agree that sustainability is important to their business
- 62% educate guests about environmental restoration and protection
- 51% enable staff to get involved in environmental projects
- 43% make financial contributions to environmental initiatives
- 37% make in-kind contributions to environmental initiatives
- 35% have a plan to guide their sustainability efforts.

Aotearoa New Zealand Tourism Industry

Tourism is an important part of the New Zealand economy and society. From a national perspective, once fully recovered, tourism will return to being one-fifth of New Zealand's export economy (currently 17.2%), with significant potential to grow beyond this. In the year to March 2024, tourism activity directly and indirectly supported 7.5% of GDP and 10.7% of employment.²

Another important attribute of tourism is that its economic impact is distributed right around the country meaning that many communities benefit from it through jobs, business opportunities, better amenities and vibrancy. Often in the more remote areas, it is conservation lands and waters that are the 'destination' and therefore the reason to travel there. These communities do not always have other options making this conservation interface very important for these places.

The Government has recently identified tourism as a key part of its programme to drive growth in the Aotearoa New Zealand economy. TIA welcomes this prioritisation of tourism, and we understand the enormous potential of the industry to both grow, create value and to spread benefits right around the country. We also understand that generally there is capacity in the industry to grow, both in size and in the quality of our offer to visitors.

We also recognise that investment is needed to enable us to make the most of our opportunities, right across the tourism system such as in aviation, land transport, accommodation etc., and equally with our attractions, including with the products, services, facilities and experiences on conservation lands and waters. This requirement for investment to support capacity and quality growth forms a key theme within this submission.

Conservation lands and waters are central aspects of destination Aotearoa New Zealand. Our places, landscapes and activities create key motivations for visiting our country, and our conservation lands form a large part of this. For instance, in the year to September 2024, 57.8% of international visitors undertook a walk, hike, trek or tramp, or 1.9 million people.³ In terms of motivations to visit Aotearoa New Zealand, there is a strong element about our environment in these motivations, including landscapes and scenery 70%, always wanted to visit 31%, visit family and friends 27%, somewhere new 26%, and outdoor and adventure activities 24%.⁴ Within these motivations, DOC and concessionaires have a central role.

² Stats NZ, Tourism Satellite Account, Year ended March 2024

³ MBIE, International Visitor Survey, September 2024

⁴ TNZ, Analysis of IVS data, September 2024

To support and enable domestic and international visitors to enjoy our conservation lands, there is an extensive network of commercial businesses that provide products, services and experiences based on their ability to operate on our conservation lands. This is our DOC concession community.

The multi-faceted role of concessionaires is important. They enable access to places including by marketing their concession-based products to the world, inviting visitors to come and experience our great outdoors. In addition, they inform and share the special nature of our places with visitors, they are responsible for health and safety, and they typically bear the environmental and social responsibility to help protect and enhance the environments they operate in. In this, the role of the concessionaire is a complementary one to DOC itself, both in meeting its statutory roles to enable visitation and to protect and conserve our special places and biodiversity.

TIA Feedback – Representative of Tourism Industry

In terms of the process to develop its submission, TIA established a reference group of key stakeholders in the concession community to both gain insights and to test out thinking on key points, and we surveyed our members on their relationship with DOC and views on access charging. Our draft submission has been circulated widely across industry for feedback, and with the TIA Board which comprises 16 industry sector leaders.

As such, this submission represents a well-founded pan-industry perspective, and we ask that it is recognised as such.

The following sets out TIA's key feedback for each consultation document with more detailed feedback to the consultation questions in the attachments.

Proposal One: Modernising Conservation Land Management

From a tourism industry perspective, the most pressing problem we are seeking to fix is the concession system that enables commercial operators to provide services to visitors to conservation lands and waters and invest for the future.

As it stands, the concession system is complex, inconsistent, slow and inwardly focused. The causes of this are many, from the nature of the legislative framework to the way the concession system has developed over time. What is clear is the concession system needs to be fixed through simplification, streamlining, improved resourcing and, importantly, to better understand the tourism system as a whole, and the business realities, impacts and requirements of those using the system.

What is not articulated in the issues analysis are the implications of the current concession system. Our members are clear on this key point: **uncertainty around the surety of tenure of their concessions reduces the ability of these operators to invest in their operations.**

Over recent years, this insecurity of tenure position has worsened, with long delays in concession processing, shorter concession terms, changes to concessions and timeframes without notice or consultation, and uncertainty around giving effect to Treaty obligations under Section 4 of the Conservation Act 1987. For many operators, this insecurity means that businesses operate on a short-term basis and much needed investment must be placed on hold. If concession terms are short and with no certainty they will be extended, operators simply cannot invest in the quality and capacity of their operations or provide certainty for the market which requires stability and predictability. This is the very consistent message TIA has received from its members and, furthermore, there is concern that some of the proposed reforms will make this situation even worse, particularly the proposal around the use of competitive tenders (refer below).

This ability to plan for a long-term, sustainable business, or to invest is extremely important for tourism and the attainment of Government goals. In an industry where visitor expectations are continually increasing and as industry strives for greater productivity and customer value, security of tenure and capital investment is required. Without it, existing visitor services and facilities will gradually deteriorate, meaning that this part of the tourism industry lags behind what is needed for a quality visitor experience.

With this situation having been in place for a number of years, there is no time to act. There is clear opportunity for shared benefits where investment by concessionaires can both reduce the need for DOC to invest and increase conservation efforts.

For these reasons, **it is imperative that the reforms create a certain and enabling investment environment where concessionaires contribute to better visitor experiences, better conservation outcomes and a larger contribution to the national economy.** This message is the central theme of this submission.

Key points and Recommendations

- **Conservation Management System:** At present, tourism and particularly international tourism, is not well accommodated in the conservation legislation and in DOC's strategic documents. This is despite DOC's visitor-related activities being 36.2% of its overall budget and DOC itself describing the department as New Zealand's largest tourism operator.

This is largely a result of the Conservation Act being established in 1987 when international tourism was much smaller, and its growth not anticipated. The implication is that DOC's visitor-related activities are not fully included in legislation or in its key strategic documents. For instance, DOC's current Heritage and Visitor Strategy is a low-level document without the standing of the higher-level documents. Also, there are no tourism interests defined as key consultation parties, such as the Conservation Authority, Fish and Game, Iwi and Conservation Boards.

TIA considers it important that changes to the Conservation Act appropriately include the role and positioning of tourism and for this to be reflected in strategic documents that cascade from it, particularly the National Conservation Policy Statement and the Area Plans. As part of this, TIA seeks the inclusion of tourism as one of the central parties to be consulted on key matters to ensure that it is always included in key conversations and workstreams as they arise.

These changes will elevate the importance of DOC's visitor-related activities, and this will require DOC to work in partnership with industry, perhaps through dedicated business units with the skills and mandate to partner with industry, including concessionaires.

Recommendation:

1. In making changes to the Conservation Act, specifically include and enable tourism, both international and domestic, within the conservation legislative framework.
2. Ensure that tourism is appropriately included in the key strategic planning documents that give effect to the Act, particularly the National Conservation Policy Statement and the Area Plans.
3. Ensure that tourism is specified as a party to be consulted on key matters that impact the conservation/tourism interface.

- **Class Approaches to Concessions:** TIA supports the concept of establishing classes of activities that are permitted, pre-agreed and handled by a less onerous permit system. This would allow many current 'low impact' concessions to be streamlined, while allowing focus on the more complex concessions. The proposal to monitor and manage the cumulative effects of these permitted activities is supported. The objective to standardise this system for straightforward processing is also supported.

TIA considers that the three proposed classes (exempted activities, permitted in advance and prohibited) do not provide a clear picture of where various tourism activities would fit in. This specificity is needed. For the class system to have a meaningful impact, its reach and application needs to be specific and very well understood as this will also impact how other parts of the concession/permitting system will work. TIA requests DOC set out this proposal in more detail, including what percentage of concessions that it considers will fall within the class system. Further consultation on this is needed.

Recommendation:

4. Ensure that the class system as it applies to tourism is developed to include as many tourism activities as possible and that its processes and requirements are streamlined and easy to engage with, and that industry consultation is undertaken.

- **Speeding up concession processing.** The limitations of the current concession system are wide ranging and well understood. The intent of the proposed reforms are welcomed by TIA but, as set out earlier, the focus to speed them up does not address what we see as the underlying issues for operators: that insecurity of tenure is impacting the ability of the sector to invest at the level needed to advance both business operations and the industry as a whole. Members have commented that timeframes already exist, but that this has not ensured timely concession processing.

TIA supports the proposals to improve triage, clarify Treaty partner engagement requirements, establishing statutory time frames, amending when public notification is needed and clarifying the reconsideration approach. We also support the establishment of a simple fees structure as part of the streamlining of the concession system.

The detail within these proposals will be important and these will need to be specified in a concession process policy document, along with a set of Principles to guide the

concession process over time. It will be important that the Principles and Policies are referenced in the legislation and the NCPS. In terms of the Principles, these could include:

The concession system will:

- Recognise the tenure and quality of a concession applicant and their past performance based on clear expectations of what constitutes quality in a concessionaire.
- Adopt an organisation-wide customer-centric model for processing and managing concession applications from tourism operators (model to be developed in collaboration with the tourism industry).
- Result in gains to conservation through care for place and biodiversity by the concessionaire and raised awareness and interest by visitors.
- Provide managed, safe and high-quality access to conservation lands and waters.
- Ongoing investment by DOC in technology to ensure the process adapts and improves over time.
- Establish a partnership relationship between the concessionaire and DOC focussed on shared objectives and outcomes.
- Application processing to be completed within the timeframes established in the supporting concession policies.
- Report on performance overall and against agreed KPIs to provide transparency and accountability.

While not covered in the consultation document, there are other important process-related matters that will need consideration.

The first of these relate to DOC's capability to develop and maintain the processes and to operate these effectively in a commercial operating environment. For instance, one of the requirements of the triage process is to assess the financial means of the applicants which is a difficult and time-consuming matter to assess, and it is unclear what criteria will be applied.

Secondly, what happens in the interim period before the reforms take effect will be important. There are many concession applications pending and needed investment is on hold. TIA members consistently raise this interim period as a critical issue given the backlog of concession renewals and other dependencies such as the Milford Opportunities Project. Practical interim steps are needed to bridge the period before longer term changes are implemented.

Thirdly, members raised the transferability of concessions when businesses are sold as an important matter to be addressed. There must be a clear policy that sets out the considerations and steps to affecting concession transfers.

Recommendation:

5. Ensure the proposals to modernise concession management processes are embedded in legislation and strategic documents as Principles and supporting Policies.
6. Ensure that DOC has the processes and skills to operate the concession system on a fair and efficient manner.
7. Ensure interim processes are in place to ensure effective operation of the concession system until such time as the reforms are implemented.
8. DOC, with tourism industry support, to form a Tourism Consultation Group to ensure that the Principles and supporting Policies are developed with tourism input.

- **Better performance outcomes from concessions:** At one level TIA agrees with the desire to drive better outcomes from concessions, but then we see serious limitations in what is being proposed. In particular, the only means set out to achieve this is for greater use of competitive tendering for concessions. As the consultation document itself states, ‘...this may have a chilling effect on investment in crucial visitor experiences.’ Feedback from our members is that this is already the case.

As set out earlier, TIA considers the critical limitation of the current system is the limiting effect that has on investment by operators, and the sustainability of businesses in general. Introducing widespread use of competitive tendering will make this worse. For instance, with the proposed trigger being an application for a concession, this will mean the process will be short term and responsive, and extremely uncertain for operators. With that uncertainty around renewal processes, operators will look at the pay-back time for their investments and will not invest in anything unless it can generate a return within the term of their concession.

As such, TIA considers that introducing competitive tendering as set out will be counter-productive to the overall objectives of the reforms. If competitive tendering is undertaken, it needs to be conducted on a longer term and strategic basis. For instance, by identifying a concession that is due to expire in outyears (say, three or five years) and signalling with sufficient notice to the operator the intention to go to market. In this, the criteria set out in section 7.1.3 appears reasonable with perhaps another around the level of usage of the current concession.

The other critical matter relating to the use of competitive tendering for concession allocations is the nature of the businesses that operate the concession. They invest in their operations in a multitude of ways with these aspects having considerable value. The proposal, however, only sets out one approach for transferring assets from one provider to the next: that is for fixed assets.

TIA’s members have expressed strong views that a broader perspective must be included when considering the assets involved in their operations. For instance, the extent to which the concessionaire has built the market, created a consumer-recognised brand, and has been integrated into distribution networks internationally, nationally and regionally. These operators hold intellectual property and goodwill that they have developed to create value from their concession. These are real business assets that cut to the heart of the value of the concession and its contribution to the wider tourism industry. While these attributes are not easily transferred, they need to be factored into the reform process. Put simply, if a concession is revoked or transferred it devalues a business and risks the feasibility of that business. This creates a destabilising effect on the wider concession-based tourism system which relies on predictable continuity of supply.

Also within this context are different situations when tendering may occur, and these will lead to different approaches. For instance, for allocation of an existing concession, a proposal for a new concession by an operator, or for a DOC-initiated idea that is seeking a market response. In each case, a different approach will be needed.

Underpinning this section, but not stated directly, is the revenue-generated by the concession system but it is not clear what the objectives are. TIA agrees that the Crown should receive a fair return from allowing commercially supported visitor access to our conservation places but does not believe that pressuring this system to increase Crown revenue at a time when investment requirements are high will be the best approach. We are also mindful that the Crown accrues revenue from this activity through GST and other taxes.

Overall, the message to TIA from our members is that the use of competitive tendering as set out will inhibit their ability to invest and this will make the current unsatisfactory investment position even worse.

Recommendation:

9. DOC to reconsider the proposal for greater use of competitive tendering due to its destabilising impact on surety of concession tenure and therefore the ability of businesses to invest.
 10. DOC to instead develop a strategic approach in considering concession allocation that serves to provide surety to concessionaires to support needed sector investment. Establishing an investment-enabling framework is of the highest priority to TIA and its members.
- **Amenity areas:** TIA supports the proposal to improve the current amenity tools to allow areas of concentrated development on some conservation lands. This would utilise a spatial planning approach to ensure that designated amenity areas are well designed and controlled to allow these places to develop to a high standard for enabling quality visitation. As set out, TIA sees the amenity areas as the tool for tackling management and development of iconic places with high visitor load and high investment requirements, such as at Milford Sound/Piopiota. In establishing or operating amenity areas, it is essential that the structures and funding are put in place to ensure their effective operation.

Recommendation:

11. DOC to advance the proposals for streamlining the amenity areas tool as a means to manage high load and high investment need places.
- **Flexibility for land exchanges and disposal:** In general, TIA supports the proposal to increase the ability of DOC to exchange or transfer lands when it makes sense for conservation benefits and it does not have unsustainable impacts on concession holders. However, the implications of the proposal were difficult to determine from the information provided in terms of the reference to the Fast-track Approvals Bill and noting that National Parks are not listed as conservation lands exempt for disposal.

Recommendation:

12. While the ability to be provided with flexibility around the exchange and transfer of lands is supported, greater detail is needed on the implication of this, particularly in relation to the Fast-track Approvals Bill and in meeting Treaty obligations.
- **Giving effect to Section 4 of the Conservation Act:** Throughout the consultation paper an underlying consideration is around giving effect to Section 4 of the Conservation Act. This is a sensitive area of the proposed reforms and an area that is currently contributing to nervousness around surety of concession tenure. TIA advocates for ongoing processes to give effect to Te Tiriti o Waitangi as outlined in Section 4 of the Conservation Act while ensuring the position and opportunities of existing and long-term operators are appropriately considered and that day-to-day operations can proceed with normality.

Recommendation:

13. DOC to establish clarity around its work to advance Section 4 of the Conservation Act with cognisance of the importance to any steps taken to the industry, and that surety of tenure for concessionaires is of particular importance.

Proposal Two: Exploring Charging for Access to Some Public Conservation Land

TIA recognises that DOC needs to generate revenue flows to allow it to deliver its various visitor-related functions to a high standard.

DOC's visitor-related income in FY 2023/24 stems from recreation user charges of \$25.4m, IVL income of \$31.2m and concession income and cost recovery of \$29.2m, totaling around \$86m.

TIA is mindful that the \$100 IVL is expected to generate around \$115m per annum for DOC so long as half continues to be allocated to conservation. This would bring overall tourism-related income to around \$170m in the current year, substantially more than it has been previously. TIA also recognises the cost challenges faced by DOC and we are mindful also that, as with the industry generally, ongoing investment is needed by DOC to refresh depreciating assets and to meet rising visitor expectations.

It is in this context that TIA considers the key aspects of this consultation document.

- **Access charging:** TIA has received a variety of views from members, but we found majority support for Government introducing access charges for parts of the conservation lands and waters. Also, the reference group convened by TIA to support this consultation process was supportive of access charging. Within this overall view, however, there was a consistent line round the circumstance involved at each site being considered. There is also a concern over the total cumulative costs incurred by visitors across the funding environment, and that this is considered before any new charges are established.

Given this, while TIA members support DOC having the authority to charge an access fee, it will need to be considered against a set of criteria for each site. These criteria could include:

- Visitation Level
- Investment needed at place for development and maintenance
- Quality of the visitor experience
- High tourism value or iconic status
- Level of DOC staff at place
- Health and safety requirements
- How else are visitors already paying
- Lack of other revenue-generating options (concession fee, carparking, etc.)
- Is it an amenity area
- The geographic suitability of the location.

Overall, TIA considers it appropriate that DOC is provided with the ability to charge visitors for access to selected parts of the conservation estate.

Recommendation:

14. DOC to be vested with legislative authority to establish access charges as and where appropriate.

- **Who should pay an access charge:** TIA's member poll found that the majority thought we should charge only international visitors, with the balance split between whether to charge all visitors, but lower charge for Kiwis, and those who thought we should charge all visitors the same.

TIA's reference group had the view that all should pay where they incur the same costs. These variable viewpoints from TIA's own membership reflects the complexity with this question of who pays.

For New Zealanders there are two drivers: 1) that they have already paid in their taxes, and 2) free access to conservation places is a birthright. Both positions have some merit and need to be considered.

International visitors can and should expect to be charged at iconic places, as visitors do at other high-quality destinations around the world. The considerations for how and when to charge international visitors includes how much they are already paying. Most international arrivals (other than Australia) pay the \$100 IVL, half of which has gone to conservation. It can be argued that these visitors have already paid their way.

The other way that both international and domestic visitors are already paying is via the various user charges (Great Walks, hut fees, campsites, etc.) and through concession fees when they undertake an experience through a concessionaire. These concession charges are not insignificant. For instance, one TIA member operating in Aoraki Mount Cook village assessed the overall concession fees for an overnight stay at Aoraki Mount Cook to be in the region of \$30 per person (depending on the room-rate paid). With Aoraki Mount Cook identified as one of the areas where an access charge could be used, this raises questions around cumulative impact and double-dipping.

While not insurmountable, care will be needed to ensure alignment between any access charge and concession fees. By the same token, there will be many day-trippers to a place like Aoraki Mount Cook that pay no concession fee and may rightly pay an access charge.

Overall, TIA supports the concept of user charging as a means of generating income for supporting DOC's visitor services and considers that a mix of facility usage fees, access charges and concession fees, and the IVL, will be appropriate in different circumstances. Central to this are questions of fairness, the load on certain traveller groups and who benefits, without introducing unnecessary complexity and administrative burden.

Whatever charge, or mix of charges is established, there will need to be a clear benefit for the visitor in terms of the quality of facilities and the experience.

On a final note, TIA has been deeply concerned at the impost of additional costs being placed on international visitors particularly the IVL increase to \$100, large increases in visa charges and other border charges. The cumulative implications of these costs are on the competitiveness of Aotearoa New Zealand as a visitor destination. TIA has a strong sense that this has created headwinds for the industry that has been subdued over the recent past to the detriment of the wider economy.

Recommendation:

15. DOC to prepare proposed revenue plans for the selected places or sites being considered for an access charge, looking at the mix of revenue sources, visitor types and investment needs and other relevant criteria, and these could well be the potential sites identified in the consultation document.

- **How should additional revenue be used.** TIA considers that the revenue gained should be applied in relation to the purpose for which it is being raised. For instance, if an access charge was introduced to support, say the development of Aoraki Mount Cook, the funds should be vested to that place to support its development. Variance to this approach should only be on an exemption basis.

The revenue will be used in different ways depending on the site. We envisage that provision of facilities and infrastructure to enhance the visitor experience would be included, as would appointing experience managers to be responsible for the visitor experience at place and to work with stakeholders and concessionaires to ensure that the site functions well from a tourism perspective.

How funding is deployed may interface with how concessionaires themselves invest. For instance, if a concessionaire is aware of the DOC investment plan and forecasts in a particular place, they will be better able to invest in their operations to align with the DOC programme. It could well emerge that joint projects could be undertaken in these situations.

The system established to use revenue that is raised will need to have transparency, with measurement and reporting, forecasting to enable future development and maintenance. These steps will ensure the funds meet industry and visitor expectations.

Recommendation:

16. **Option 1.** DOC to assign revenue to the place in which it was raised to ensure benefit accrues to the people paying the charge.

Next Steps

This submission covers many aspects of the conservation and tourism interface, and what we need to do to ensure we grasp the current opportunity to reset it for the future.

As such, we would be most pleased to elaborate of any points raised in the submission or to meet with you to discuss it. If so, please contact Bruce Bassett on 021 609 674 or bruce.bassett@tia.org.nz.

Ngā mihi,



Rebecca Ingram
Chief Executive

Appendix 1: TIA Assessment of Consultation Questions

Modernising Conservation Land Management

	Question	TIA Response
Section 3: Issues		
1	Do you agree with the issues?	<p>TIA has long advocated for reform of conservation settings and therefore welcomes this process to make some important changes.</p> <p>Currently, the overall conservation management system does not sufficiently include tourism. While this is understandable given that the Conservation Act 1987 did not anticipate the growth of international tourism, this is something that now needs to be remedied by incorporating the role and place of tourism in conservation legislation and key planning documents.</p> <p>Regarding the concession system, the analysis set out does not reflect the full scope of the issues involved. There are more fundamental matters that need to be addressed than just the speed of the process.</p> <p>TIA's member consultation has identified the central issue around the lack of certainty they feel around their concessions. The reasons for this include slow and complicated processes, uncertainty around Treaty obligations, shortening concession terms and lack of understanding by DOC of the commercial operating realities of operators.</p> <p>The implication of this lack of certainty is a lack of confidence to invest. This is of critical importance because investment is needed into increase capacity and to elevate the quality of the visitor experience, with this needed to advance the tourism industry and its ability to contribute to Aotearoa New Zealand.</p> <p>Instead, the risk is slipping standards as tourism-related assets, including those provided by concessionaires, deteriorate as they age. Standing still is going backwards, and this is the central matter that needs to be addressed.</p> <p>As such, the overall objective is to establish policy settings that includes recognition of tourism in legislation and peak strategic documents, and establishes a tourism and conservation interface that is easy to navigate, provides surety of tenure so operators can invest with confidence, and which generates positive outcomes for tourism and conservation.</p>
2	Have any issues been missed?	<p>TIA considers that there is an opportunity to set out the positive interrelationships between conservation and tourism. From a tourism perspective, our natural places are a key part of the attraction of New Zealand as a high-quality visitor destination. How people can experience our public conservation lands and waters is a key part of this. It is DOC and its concessionaires that enable much of the access to these places.</p> <p>Tourism clearly benefits from conservation, both directly as an industry, and visitors benefit from their</p>

		<p>conservation experiences, both international and domestic.</p> <p>Equally, we see that conservation benefits from tourism. For instance:</p> <ul style="list-style-type: none"> • Directly through concession fees to DOC for commercial access to conservation places. • Through the actions of tourism operators that care for the places in which they operate, including in undertaking pest control and other such work for nature. • Tourism enables the safe travel to conservation places that serve DOC’s function to foster support for conservation by New Zealanders. This exposure to nature is key for ensuring societal support for conservation from both international and domestic visitors. People value and protect the things that they know. • Visitation to DOC places is a key driver of travel right across New Zealand including to our most remote places. As such, this conservation-related travel forms a key part of regional communities and their economies. • The International Visitor and Conservation Levy (IVL) as set at \$100 for most international visitors will raise around \$230m annually, with half for conservation. • For the national economy, conservation-related tourism is worth between \$3b to \$4b per year as cited in the consultation papers. At \$4b, this equates to \$531m in GST revenue for government each year from this activity. • More broadly, tourism is an important contributor to New Zealand’s wellbeing, contributing \$4.1b in GST, \$1.7b of which is from international visitors. (TSA YE March 2024). In addition, other taxes generate a similar amount annually. From this income, Government pays for health and education, etc., and importantly it also funds the work of the Department of Conservation. <p>TIA considers that the ideal conservation/tourism interface is mutually beneficial, and it is incumbent on us to design the system for this outcome.</p> <p>This ethos must be central to the reform process.</p>
3	Do you have any examples or data that demonstrates your view on the issues?	-
4	<p>As you read the proposals in this document</p> <p>a. Do you think any measures are needed to ensure conservation outcomes, whether in addition to or alongside the proposals?</p>	<p>With tourism interested in making a greater contribution to conservation outcomes, the incentives created to lift its contribution are very important.</p> <p>TIA has established the following industry target in Tourism 2050 as one of its 14 targets:</p> <ul style="list-style-type: none"> • Predator free and biodiversity: 95% of TIA Members are actively supporting and championing predator free and or biodiversity initiatives by 2030. <p>The base 2023 level is 68.8%.</p>

		<p>The rationale for the target is ‘...having every tourism business contributing will add impetus towards protecting and restoring our biodiversity.’</p> <p>Working in partnership or collaboration with conservation interests is a key approach industry will use to achieve this target.</p>
	<p>b. Do the proposals allow the government to strike the right balance between achieving conservation outcomes and others?</p>	<p>The paper, as articulated, places emphasis on conservation outcomes, and TIA supports this in the context of tourism outcomes also being achieved.</p> <p>The question of ‘balance’ regarding conservation and tourism will only be determined in the implementation of the changes set out through this reform process. For tourism ‘balance’ includes the right to operate in conservation places on an economically viable basis and with security of tenure, for the conservation efforts of operators to be taken into account in concession negotiations and also to have their role in providing safe access for visitors taken into account. How these work in practice will need to be carefully shaped and articulated through the course of the process ahead.</p> <p>The question of the balance with ‘other outcomes’ is not well set out in the document other than with some references to the Fast-track Approvals Bill that does raise concerns for TIA (refer below).</p>
<p>Section 4: Working with Iwi (and Hapu)</p>		
		<p>While no consultation questions were asked for this section, this is an important area for tourism and there many potentially impactful matters that may flow from it.</p> <p>From a tourism perspective (and there are many Māori tourism operators), TIA advocates for ongoing processes to advance the Treaty while ensuring the position and opportunities of existing and long-term operators are appropriately considered and that day-to-day operations can proceed with normality.</p> <p>We believe that this will be best advanced through ongoing and open discussion with all parties to reduce uncertainties and to increase clarity. The reform proposals in this consultation will have a role in providing this clarity.</p> <p>This is a sensitive aspect of the proposed reforms. TIA’s general position is to support the proposal while being very clear that how it is done will be of utmost importance for the industry and the concessionaire community in particular.</p>
<p>Section 5: Streamlining the conservation management system</p>		
5	<p>Simplifying the management structure</p>	
	<p>a. Do you agree with the issues and how they have been presented?</p>	<p>TIA agrees that the current arrangements are not fit for purpose, to the detriment of all interested parties. As such, TIA supports the direction of the proposed reforms.</p>
	<p>b. Do you agree with the proposed changes to simplify the management planning framework?</p>	<p>TIA supports reform of the structural elements of the conservation management system that DOC operates to.</p>

		<p>Firstly, we support changes to the conservation legislation to incorporate tourism in a way that sets out how DOC will work with tourism and undertake its visitor-related functions.</p> <p>Secondly, we support tourism being appropriately integrated into the strategic planning document that will give effect to the changes to the legislation.</p> <p>Thirdly, we support tourism being a specified party to be consulted on key matters to ensure tourism is included in key conversations and workstreams as they arise.</p> <p>With these in place, there is potential for considerable improvement across the tourism and conservation interface.</p>
	c. How could this proposal be improved?	<p>TIA advocates for a tourism/visitation-specific aspect of the management planning framework.</p> <p>In this, we refer to the current settings where DOC has its 2021 <i>Heritage and Visitor Strategy</i> that is designed to guide its activities in this area.</p> <p>However, it is TIA's observation that because this document does not have the standing of a General Policy or equivalent, it has much less standing and influence. For instance, the <i>Heritage and Visitor Strategy</i> is not mentioned in the consultation document.</p> <p>TIA considers it essential that the new National Conservation Policy Statement must fully include tourism and visitation aspects to embed these at the highest level, and provision made for the DOC's tourism and visitation strategy to be established as a document associated to the National Conservation Policy Statement.</p> <p>TIA considers that without this specific inclusion of tourism at the peak strategic document level, tourism and visitation aspects will continue to be a secondary priority within the overall framework.</p> <p>Along the same lines, tourism needs to be listed as key participants in the framework, alongside others such as NZCA, Fish and Game, Iwi and conservation boards.</p>
6	Enabling class approaches to concessions	
	a. Do you agree with the proposals to introduce classes of exempt activities, prohibited activities and permitted activities in advance through the National Conservation Policy Statement and area plans?	<p>TIA supports the concept of class approaches to concessions in the interests of streamlining high-volume and low-complexity applications to allow focus on the more complex ones.</p>
	b. How could this proposal be improved?	<p>From a tourism perspective, the categories in Table 4 are unclear and it would be much better to have tourism-specific consideration of the categories. For instance, how would tourism fit within the categories set out in the consultation paper:</p> <ul style="list-style-type: none"> • Exempted activities. This looks like a positive class to establish. What would be the tourism activities that would fit into this class?

		<ul style="list-style-type: none"> • Activities permitted in advance. It is presumed that most if not all tourism concessions would fall within this class. Is this the case? • Prohibited activities. From a tourism perspective, if it is prohibited it is unlikely that concessions will be issued. As such, what role does it play? <p>This proposal needs to be better defined and set out, particularly what is intended for tourism concessions and what may fall into classes that will be moved into more streamlined processes.</p> <p>We are interested in knowing more about: the categories that could be used for tourism; an estimation of the proportion of tourism concessions that might fall into the lower-level categories; and what a permit system would look like for these lower-level categories.</p> <p>Knowing more about this is needed to assess if it is a major or more marginal step forward.</p>
	c. What types of activities are best suited to taking a class approach, and which activities would a class approach not be appropriate for?	<p>There is a spectrum of tourism-related activities that fall within the concession requirements. Some are transitory and low/nil impact, whereas others are substantial in terms of people flows and their infrastructure needs.</p> <p>TIA seeks classes that reflect this spectrum and placement of certain activities into the categories. We would be very happy to work with DOC to further shape this proposal.</p>
7	Proposed process for making statutory planning documents	
	a. Do you agree with the proposed processes for making, reviewing and updating the National Conservation Policy Statement?	<p>TIA supports the general approach for a single NCPS that is prepared by the Director General.</p> <p>The critical question is the role of tourism in the process as a contributing party and one that has a formal role in the process, alongside other parties such as Fish and Game. This engagement and participation must be in place across all stages of the process for developing the NCPS.</p>
	b. Do you agree with the proposals for making, reviewing and updating area plans?	<p>TIA supports Area Plans prepared by the Director General with approval by the Minister. TIA agrees that this is a cleaner model than the current arrangements.</p> <p>Again, TIA submits that the process needs to specifically include input from tourism interests.</p>
	c. How do you think these processes could be improved?	<p>As set out above, it is important that tourism interests are formally established as parties to the process and ultimately to the Plan.</p> <p>In Section 5.3.4 on Public Consultation, the comment is made that: <i>'...nor would changes that have already been consulted on'</i>.</p> <p>This needs better explanation. For instance, does it mean that any matter that has in the past been consulted on will see these results taken forward? As we read it, important matters like class classifications and when competitive tenders will be triggered would be included under this comment.</p>

		If this is the case, TIA considers that key matters such as when competitive tendering will be triggered requires specific consideration as part of the review process.
8	Giving effect to Treaty principles when making statutory planning documents	
	a. Do you think the proposals are appropriate to give effect to the principles of Te Tiriti o Waitangi?	-
	b. What else should the Government consider to uphold existing Treaty settlement redress?	-
Section 6: Speeding up concession processing		
9	Improve the triage of applications	
	a. Do you agree with the issues in concession processing and how they are presented?	<p>TIA considers the concession process is not working well for several reasons, with speed being just one of these. It is important that these other elements are defined and addressed.</p> <p>For instance, other issues include:</p> <ul style="list-style-type: none"> • The short concession terms that can inhibit investment by the concessionaires. • The complexity of the concession system for operators who can hold multiple concessions, each of which is treated on a separate basis. • It is difficult to engage with DOC as staff rotate through. • Sense that the nuances of the commercial operating environment for tourism are not well understood. • No sense of partnership that the work done by concessionaires contributes to DOC objectives. • Need to review and refine how concessions can be transferred when businesses are sold. <p>TIA members are very interested that interim steps are put in place as the reforms are advanced so that concessionaires can operate effectively over the period until the reforms are implemented.</p>
	b. Do you agree with how the Government proposes to improve triaging of concession applications?	<p>In terms of triaging, TIA supports improvements being made, including to decline applications early if clearly not meeting requirements.</p> <p>The question of an application triggering a competitive allocation process is a difficult area. TIA is concerned that if it is a concession application (new or renewal) that triggers a competitive tender then this creates considerable uncertainty for that operator.</p> <p>Concessions are a key business asset for many tourism operators that enable them to provide their product or services. Creating a high-risk juncture point at every consent application point is concerning. As set out below, TIA considers that this proposal will contribute to a weakening of operators' sense of surety, and thereby its ability to invest. This is a key risk that needs to be deliberately managed.</p>
	c. How can this process be improved?	The approach for triggering competitive tenders needs further consideration (refer Section 7)

	d. What should DOC consider when assessing whether an application may not have the financial means to execute a concession?	<p>There is industry concern about the business experience within DOC to determine if an applicant has the commercial means to execute a concession.</p> <p>As such, DOC must ensure it has the right skills or get the right advice to inform its decisions. As a triage point, the criteria need to be clear with an appropriate level of information to keep it simple and reasonable for both applicants and DOC.</p>
10	Clarifying Treaty partner engagement requirements	
	a. How can the Government best enable Treaty partner views on concession applications (e.g. whether Iwi are engaged on all or some applications)?	TIA agrees with the load that can be placed on Treaty partners and supports streamlining of this requirement where it is appropriate to do so.
11	Creating statutory timeframes for some steps	
	a. Do you agree that additional statutory time frames should be introduced, including for applicants (to provide further information) and Treaty partners?	<p>In general, TIA supports statutory timeframes for some steps, and we note the need for flexibility for various circumstances.</p> <p>That said, specified timelines will establish expectations and accountability for both the applicant and DOC, with longer processes permitted only as exceptions to the set requirements.</p>
12	Amending when public notification must happen	
	a. Would it be more beneficial if DOC notified only eligible applications where the intention is to grant a concession?	<p>TIA supports streamlining and modernising public notification processes.</p> <p>This could be tied to the concession classes to be established and with the processes around the use of competitive tendering.</p> <p>From the information provided, it is not clear how the interface of these initiatives will play out, and clarity is needed.</p>
	b. Do you think any other changes to public notification should be considered?	Related to above, public notification should be used when it is meaningfully needed, and not as an unnecessary step to meet a process requirement. As such, the final settings must provide clear guidance in this area.
13	Clarifying the reconsideration process	
	a. Do you agree with setting timeframes and limits on reconsiderations?	TIA supports the intent to provide a framework with timeframes for the reconsideration process.
	b. How can this proposal be improved?	The question is whether a wider dispute resolution mechanism for the conservation system should be established as part of the current reforms. It would seem a desirable thing to do.
Section 7: Driving better performance and outcomes from concessions		
14	Enabling competitive allocation of concession opportunities	
	a. Do you agree with the issues and how they have been presented?	From the many ways that the concession system can be improved to drive better performance and outcomes, TIA finds it disappointing that only one mechanism (competitive tender) is looked at.

		<p>In TIA's view, the analysis set out does not convey a good understanding of:</p> <ul style="list-style-type: none"> • What a concession represents from the concession holder perspective. TIA's members tell us that for operators in conservation areas, their concession is a key business asset. It enables the delivery of their product or service and represents a tangible asset. This makes the tenure of the concession important, in terms of its duration and the certainty around it. • There are many 'types' or 'circumstances' that apply to concessions with much of it a result of what the concessionaire has developed. For instance, to what extent has a concessionaire built the market, created a consumer-recognised brand or product, and has become integrated into the distribution network internationally, nationally, and regionally. The 'value' set out in the paper that could warrant compensation related only to physical assets, but in reality there is much more involved than just this, including around the intellectual property and goodwill of their operations. <p>As such, TIA seeks a fuller examination of the levers available to drive better outcomes from concessions that are better tied into the commercial realities of the concessionaires themselves. Competitive tender will be one of the mechanisms identified from a fuller examination, but there will likely be others.</p>
	<p>b. Do you agree with the proposed criteria to guide when concession opportunities are competitively allocated?</p>	<p>This is a difficult area that involves many considerations.</p> <p>TIA is concerned that the proposed criteria do not take into account all of the relevant factors. For instance, over a period of incumbency as a concessionaire an operator will build a product or service, a brand and a place in the tourism distribution channels that in turn create the value of that concession. This overarching perspective around a concession is not part of the criteria.</p> <p>As set out elsewhere in this submission, TIA supports DOC giving effect to Section 4, but again the brevity of information in this area makes it difficult to see how this will work in practice. Uncertainty and ambiguity will make it harder for concessionaires to operate and invest for the long term.</p> <p>There is also a question around when this assessment takes place. Is it only when an existing concessionaire applies to be renewed or are there other circumstances. Again, every effort must be made to provide as much surety to concession holders. A possible yes/no to a competitive tender process at some point after making an application does not provide this.</p> <p>TIA is also very mindful that some larger operators have multiple concessions that all add up to what they are permitted to do. Establishing a mechanism for processing a number of individual concession applications together would be another way to drive system efficiency.</p>

<p>c. How can the proposed criteria be improved for when an opportunity should be competitively allocated?</p>	<p>The criteria should be amended to assess the incumbency position of that concessionaire. The nature of this assessment and the overall characteristics of the applicant would inform the decision to competitively allocate. For instance, has the applicant been an operator of good standing, has it invested to improve its product or service, has it built a strong market position and brand, and has it contributed to conservation?</p> <p>As in the criteria set out in 7.1.2., the positive contribution to conservation by the applicant should be included at this assessment point.</p> <p>As set out above, further work is needed for when a competitive tender or other methods are used.</p>
<p>d. Are there any situations in which competitive allocation should not occur, even if the criteria are satisfied?</p>	<p>Yes. As set out above, there is an important element about the nature and value of the business that has been developed and built off the concession.</p> <p>In some circumstances it will be entirely appropriate to go to tender, but in others the assessment of real or potential implications will result in not supporting this. For instance, potential disruption for an operator that has extremely strong placement in tourism distribution channels that would take considerable time for another provider to replicate.</p> <p>The tourism distribution system is a long-term cycle with operators needing to be in the market and selling to the trade with prices and product availability, typically 18 months to two years in advance. These trade operators (such as inbound tourism operators) then sell their customers itineraries that contain the range of products that make up a visit to New Zealand.</p> <p>It is important that these timeframes are built into any concession tendering processes.</p>
<p>e. Do you agree with the proposed criteria to guide how allocations decisions should be made?</p>	<p>The criteria in 7.1.3. appears reasonable and covers the key aspects that need to be taken into account, including the applicant's track record and the returns to conservation.</p> <p>It would seem desirable to include a criteria around how this concession application fits in with other concessions that might be held. Essentially, what the overall operation of the applicant is, and how a particular concession application contributes to this.</p>
<p>f. How can the proposed criteria be improved for how allocation decisions should be made?</p>	<p>There could be some indication of the weighting for each requirement. TIA would prioritise performance, investment levels, returns to conservation and offerings to visitors the highest.</p>
<p>g. What are your views on ensuring a fair valuation of assets when transferring a concession?</p>	<p>As set out earlier, the value that is contained in, or surrounds, a concession is much wider than the physical assets alone, including the market position established, customers, earnings, IP and goodwill.</p> <p>More work is required in this area, including how independent assessments can be inputted into the process.</p>
<p>h. How can the interests of existing operators and potential new</p>	<p>The tension lies with the rights and interests of incumbents and the objective of gaining most from the</p>

	operators both be fairly met in exclusive commercial opportunities?	<p>concession allocation process from potential new operators, and also what potential benefits there are for customers.</p> <p>From the incumbent perspective, they may have spent many years building a business based on providing visitor access to special places, with their concession essential for enabling this. As such, there is more to the value of the concession than just the right to operate, and this interrelates with other concessions that may be held, and which together enable the operation of the business.</p> <p>This tension in its holistic sense is a critical matter to address, with a fair and practical methodology needed.</p>
15	Modernising contractual management of concession	
	a. Do you agree that the proposed National Conservation Policy Statement could guide things like standardized terms and conditions, term lengths and regulated concession fees?	TIA supports the intent to modernize and standardize core elements of the concession arrangements.
	b. What are your views on setting standard terms and conditions for concessions?	<p>Concessions are many and varied, but setting standard terms and conditions for core aspects is desirable, with scope to capture the nature of specific elements.</p> <p>Making these transparent in the NCPS is supported by TIA.</p>
	c. What circumstances and activities might justify longer and shorter-term lengths?	<p>The duration of a concession is a critical factor. Longer terms provide surety that enables business development and investment.</p> <p>This makes it desirable to set terms that are appropriate to the nature of the concession and its investment requirements. Longer for high investment situations (e.g. ski fields), and less for low investment activities (e.g. guiding).</p> <p>As set out earlier, the tourism distribution and sales cycle requires products to be placed in the market 18 months to two years out.</p> <p>The important point is that the terms must reflect the commercial realities of the operators. Recent experience is that concession terms have become shorter, and this has caused difficulties for many operators, impacting access to finance and limiting desirable investment.</p> <p>The outcome from the term of any concession is that it enables the concession holder to successfully deliver quality visitor experiences from it.</p>
	d. What are your views on setting activity fees based on a fair return to the Crown rather than market value?	<p>TIA supports this approach based on our experience that 'market value' did not work well in practice.</p> <p>It is important that a fair and transparent formula or method is in place. The better that this is, the easier the fee setting part of a concession will be. And the more standardised it is, there will be less need for bespoke negotiations.</p>

	e. What are your views on setting standardized, regulated fees?	<p>Transparency around fees is essential, that is currently complicated by the many concession types that there are.</p> <p>Certainly, there should be a fee framework established that sets fees for standard classes of activities, with scope for negotiating more complex situations.</p> <p>Within the framework, there should be flexibility to recognise non-financial attributes of a concession, including such things as the benefits to conservation and the safe enablement of visitation to conservation areas.</p> <p>TIA notes the intent to use the regulated rate as the price floor of a competitive allocation of concessions.</p>
	f. What are your views on changing the frequency of activity fee reviews?	<p>TIA supports fees adjusting in line with the commercial operating environment, but without costly resetting processes.</p> <p>The ideal frequency will vary by concession type, so there should be some flexibility in the fee review cycles.</p>
Section 8: Unlocking amenities areas to protect nature and enhance tourism		
16	Do you agree with the issues relating to amenities areas and how they have been presented?	TIA considers that well-designed and controlled amenities have an important role to play at certain places and supports the analysis around the current complicated arrangements in this area.
17	Do you agree with the proposal to create a single amenity area tool?	Yes, so long as it has the flexibility to take into account different circumstances.
18	How can this proposal be improved?	<p>The detail of the proposal is not fully developed, but protections for the environment while enabling quality visitation are important principles to reflect in the proposal.</p> <p>The structures and funding arrangements for amenity areas must be put in place to ensure their ongoing success.</p>
19	What should the main test be to determine is an amenities area is appropriate?	How it will add to the ability to manage places to a high standard while enabling quality visitation and usage.
Section 9: Enabling more flexibility for land exchanges and disposals		
20	Land exchanges	
	a. Do you agree with the issues and how they have been presented?	<p>The proposed changes to the ability to exchange land seems to have sub-text that is alluded to but not clearly set out, specifically relating to the Fast-track Approvals Bill.</p> <p>Depending on the initiative, TIA is concerned about potential loss of valuable conservation lands for other uses. For instance, it is telling that National Parks do not appear to be excluded from the '<i>public conservation lands that are not eligible for disposal.</i>'</p> <p>TIA's view is that the test for disposals must be around the net gain for conservation, and the ongoing functionality of the tourism industry.</p>

	b. Do you agree with the proposal to enable more flexibility for exchanges where it makes sense for conservation?	As with other parts of TIA's submission, steps to streamline processes are supported, subject to ensuring the appropriate checks and balances are in place.
	c. How could this proposal be improved?	More clearly stating the intent of the proposal, including how trade-offs between conservation and other interests will be determined. As written, the positive outcomes for conservation are cited, and this should be reinforced.
	d. What should be included in the criteria for a net conservation benefit test for the exchanges of public conservation land?	Demonstration of the net benefit to conservation. The criteria should include consideration of how the lands are being used by tourism (by both international and domestic visitors), and what concessionaires are operating at the places in question and may be impacted.
	e. Are there criteria that should not be considered in a net conservation benefit test for disposal of public conservation land?	The conservation values should be primary, with other uses such as mining to be secondary.
	f. Should a net conservation benefit test for exchanges on public conservation land include meeting Iwi aspirations (for example, returning sites of significance to Iwi)?	Yes, where appropriate. TIA considers that the scale of exchanges would be a key point to understand more fully.
21	Land disposals	
	a. Do you agree with the issues and how they have been presented?	As above.
	b. How could this proposal be improved?	As above.
	c. Do you agree with the proposal to enable more flexibility where it makes sense for conservation?	As above
	d. When should the Crown have the ability to dispose of public conservation land and for what reason?	The disposal of land should only be driven by the enablement of better conservation outcomes, for instance from using funds from disposed land for conservation or from reducing cost of holding and maintain land of low conservation value.
	e. What should be included in the criteria for a net conservation benefit test for disposals of public conservation lands?	The focus should be on conservation outcomes, and not other uses of the land. TIA considers that the tourism and visitation usage of the land should be included as one of the criteria.
	f. Are the criteria that should not be considered in a net conservation benefit test for disposal of public conservation land?	As above.
	g. Should a net conservation benefit test for exchanges of public conservation land include meeting Iwi a aspirations (for example, returning sites of significance to Iwi)?	As above.

Appendix 2: TIA Assessment of Consultation Questions

Exploring Charging for Access to Some Public Conservation Land

	Question	TIA Response
Part 3: Issues		
1	Do you agree with the issues?	<p>TIA recognises the financial pressure on DOC that is expected to do more for scaling-up activities such as tourism, while biodiversity continues to decline.</p> <p>At a conceptual level, the Issues section makes the case for changes to the DOC funding mechanisms for enabling visitor-related activities.</p> <p>An overarching consideration for TIA is the overall funding picture for DOC and its tourism related income streams. As we read the consultation material, in 2023/24 DOC received:</p> <ul style="list-style-type: none"> • \$25.4m - Visitor usage fees • \$31.2m – DOC share of IVL • \$29.2m – Concession fees and cost recovery. <p>This amounts to \$86 million of visitor-related income to offset the \$233 million DOC used to support visitor activities and to maintain the visitor network (noting also that a proportion of IVL income is allocated to biodiversity work).</p> <p>TIA is mindful the \$100 IVL will generate around \$115 million per year for DOC (assuming half of IVL income continues to be allocated for conservation), making the overall visit or-related income of around \$170 million per annum.</p> <p>This income is important as it signifies the various points where international and domestic users already contribute to DOC.</p> <p>It also highlights that some international visitors will pay at each of these points: pay the IVL, pay a concessionaire and pay a usage fee. In this, some travellers over-paying is a clear risk that needs to be factored into thinking.</p> <p>For this reason, TIA considers that the ‘cumulative’ cost to visitors needs to be carefully take into account, especially when considering a new charge such as an access charge.</p> <p>While TIA has this ‘cumulative impact’ concern, we do support appropriate access charges to certain parts of the conservation estate as one of the revenue-generating tools available.</p> <p>TIA also has the major concern that new income streams for DOC may result in reduced budget appropriations for DOC, and we recognise that DOC’s core appropriation has significantly reduced. TIA considers it of critical importance that new visitor-related revenue stream results in <u>additionality</u> to DOC’s overall budget, rather than to compensate for reduced baselines.</p>

	a. Have any issues been missed?	<p>The importance of visitation is not sufficiently covered as a core DOC function.</p> <p>This includes the importance of public visitation and participation for building awareness of, and support for, conservation. This is a core purpose in the Conservation Act.</p> <p>This principle that people participate in nature is an integral part of conservation.</p> <p>The system established to use funds will be important to ensure transparency, measurement and reporting, and with forecasting to enable future development and maintenance.</p>
	b. Do you have any examples or data that demonstrates your view on the issues?	TIA members often cited the United States park management approach.
Part 4: Access charging – part of the solution?		
3	c. Do you support the Government introducing the ability to charge for access to some parts of public conservation land?	<p>From TIA's perspective the prohibition of charging is a quirk of the conservation legislation. As we understand it, this was likely an outcome of the structural changes that led to the 1987 Conservation Act - the main purpose of which was to aggregate Crown land into the new Department of Conservation. At this time, domestic visitation and recreation was catered for, but international tourism was not.</p> <p>A modernised conservation management system will make this adjustment and create the context where appropriate access charging can be undertaken. TIA supports this.</p> <p>For TIA, the question is 'how' this is done to meet the Objectives set out on page 10 (equity, enhanced visitor experiences, accessibility and simplicity and transparency).</p> <p>Section 4.3 sets out the opportunities and the main considerations are well expressed.</p>
	d. If not, why not?	-
	e. Could you share any evidence or data that has informed your opinion?	<p>Throughout the conservation estate, there is a lack of investment in the facilities that visitors use, to the extent where DOC is now looking to reduce the visitor network so it can do fewer things better.</p> <p>While some rationalisation of the visitor network is considered necessary, this needs to be considered in the context of the IVL and any new visitor-related revenue, and analysis of the places where investment is most needed.</p>
4	Are there any international examples available that you think the Government could learn from?	-
5	Do you agree with the assessment of voluntary and concessionaire-based access charges?	<p>Section 4.1 sets out three Options for access charges as distinct and separate approaches.</p> <p>However, we envisage that all could be used, for instance:</p>

		<ul style="list-style-type: none"> • Compulsory Access Charges where there are visitor volumes and access points to enable such collection on an efficient basis, and with a clear value proposition for visitors. This could also tie into methods such as car park charges or even road tolls. • Voluntary access charges could be used where the test above cannot be met. Consideration will need to be given where this would work, and this would likely be in a limited number of places. • Concession-based access charges are currently widely used. The expectation would be that if an access charge was implemented for that same place, there would be to be integrating of the two to avoid double-dipping. <p>As such, we consider that all should be on the table for use in different circumstances.</p>
Part 5: Who should pay an access charge?		
6	To what extent do you support:	
	a. Option A: Charging everyone	Some support. Given the limited number of places that access charging would apply, and those places will be notable for the investment in them, it may be appropriate to make provision for charging everyone.
	b. Option B: Charging everyone but New Zealanders less than international visitors	Some support. Could be an option in some places.
	c. Option C: Charging only international visitors	<p>Strongest support. Charging international visitors for access is standard in many places overseas and TIA supports its use in New Zealand at suitable sights.</p> <p>Having charging systems in place will allow destinations to be managed to ensure better facilities and better experiences.</p>
7	a. Is there anything else the Government should consider when thinking about who should pay an access fee?	<p>Who should pay should be associated with the costs of enabling the visitation, for instance, for the provision of facilities, parking, health and safety, etc.</p> <p>TIA is concerned that visitors are already contributing to nature. For instance, international visitors (except Australia) pay the \$100 IVL, many pay user charges, and many contribute via concession fees. Blanket use of access charges may result in visitors in effect being overcharged.</p> <p>As such, DOC will need to be considering its overall charging systems so that they are fair for all visitor groups.</p> <p>TIA considers that at places where access charges are being considered, they should only be used as part of an overall revenue plan or strategy for that place.</p>
	b. Are there any other groups the Government should consider charging for access to some public conservation lands?	<p>As charging is put in place, the expectations of visitors will increase, particularly around the facilities in place and the quality of these.</p> <p>Unless the quality of the experience increases as the cost increase, risks emerge around the quality of the visitor experience and reputational standing of DOC and associated concessionaires.</p>

		Price and quality go hand-in-hand. This means that as prices are established, investment on the quality of the experience is also needed.
Part 6: Where should access charging be used?		
8	a. Do you agree that the use of access charges should be limited to some areas of public conservations land?	<p>TIA considers that charging should be limited to a small number of locations that lend themselves to it geographically and where it is financially viable.</p> <p>As set out above, consideration around whether to use access charges should be considered in relation to other revenue-generating options, such as charging for car parking or use of facilities.</p> <p>In terms of reform of the legislation, TIA considers it most important to establish the legislative ability for DOC to charge for access, with the specification of the places to be determined via the NCPS and Area Plans, or such mechanisms as Amenity Areas.</p>
	b. If you strongly agree, where should these places be?	<p>There should be criteria established to help inform where access charging could be applied. These could include:</p> <ul style="list-style-type: none"> • Visitation Level • Investment at place needed • High quality visitor experience • High tourism value or iconic status • Level of DOC staff at place • Health and safety requirements • Ongoing maintenance costs • Lack of other revenue-generating options (concession fee, carparking, etc.) • Is it an amenity area • The geographic suitability of the location. <p>It is likely that these criteria would be very limiting of the places that are suitable, perhaps to the locations set out in the document.</p>
9	<p>a. We have identified the types of locations where access charges could be more effective, which may include one or more of the following:</p> <ul style="list-style-type: none"> • Places facing unsustainable pressure from visitors • Places popular with international visitors • Places with high biodiversity and scenic values • Places where user groups are defined. <p>Do you agree with the features identified for where access charging could be used?</p>	These characteristics are sound and should be included with the criteria set out above.
10	Are there any features of a place that would mean access charging should not be introduced there?	<p>Places of significance to Iwi (unless established in conjunction with Māori).</p> <p>Places that do not meet the criteria above.</p>
11	To what extent do you support the 'parks pass' approach?	<p>TIA likes this idea, perhaps as a longer-term option.</p> <p>Questions around how it would be linked to the existing hut passes and whether there will be enough sites involved to make it a viable and attractive option.</p>

Part 7: How should the additional revenue be used?

12	To what extent do you support:	
	a. Option A: More of the money should be invested at a place it is collected in.	<p>Strongest support. This is the primary priority where there is a business case for the investment of the revenue received back at the place it is generated.</p> <p>Our sense is that the places suitable for access charges all have high investment needs, and this should be the priority.</p>
	b. Option B: More of the money should be invested within the region it is collected in.	<p>Some support. As the investment in place (above) is met, the revenue should then be used for the next tier out, including the region in which it is collected, subject to the business case made.</p>
	c. Option C: Invest money in priority projects across New Zealand, regardless of where it is collected.	<p>No support. This is the lowest option of the three, largely because TIA considers that investment in the place where it is generated is the highest priority.</p> <p>That said, TIA considers where funds are spent should be based on the merits of a particular investment and for this reason considers that there should be flexibility within the system.</p> <p>The IVL is available to support wider projects.</p>
	d. If you have not already, please explain why this is your preferred approach or combination of approaches.	<p>Elevating the visitor experience must be the primary consideration for utilising the funds raised, along with strengthening the contribution of tourism to conservation.</p> <p>TIA's observation of the wider tourism system is that there are areas of chronic underinvestment, particularly where central or local government are the lead parties. For instance, TIA would argue that DOC facilities are often not what they should be within the context of high-quality international tourism, just as we would say the same where local government is involved.</p>
13	Are there any international approaches to spending money from access charging that you think the Government should consider?	<p>There are many international approaches and these need to be understood, and lessons learned, as this reform process is advanced.</p>

Part 8: Working with Iwi (and Hapu)

14	How can the Government best meet its Treaty obligations in designing and implementing access charging?	<p>Consultation with Treaty partners will be integral to the ongoing development and implementation of access charging reforms.</p> <p>As set out earlier, it may be desirable to have the legislative changes at the 'ability to charge for access' level rather than specifying each location at this stage.</p>
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Part 9: Other design questions

15	Some groups other than the Department of Conservation manage land with conservation values. Do you think these groups should be allowed to charge people to access this land, if it meets certain characteristics in section 7, to help pay for upkeep and improvements?	<p>This is highly dependent on the situation.</p>
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