

Transport Sector Briefing to the Incoming Minister of Transport

Overview of the transport sector

October 2017



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Introduction

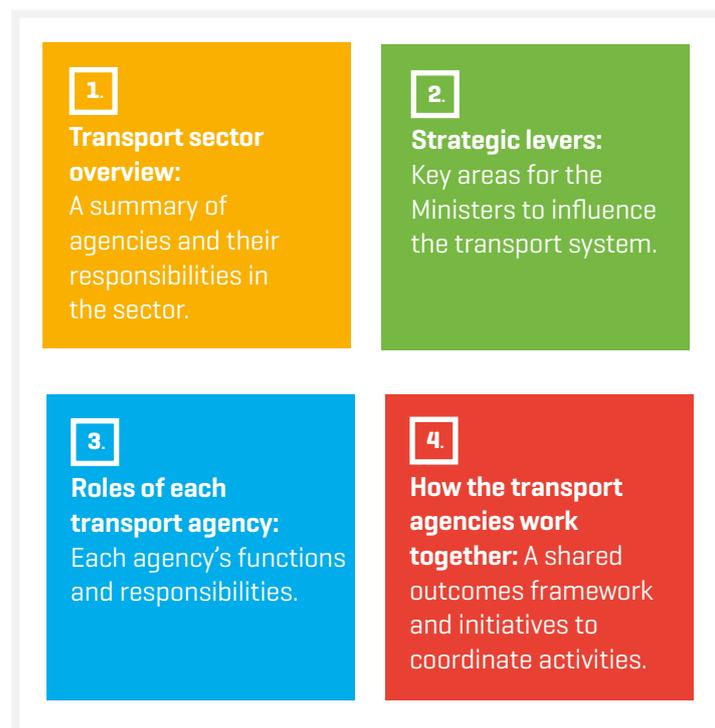
Purpose

This briefing provides details on all the agencies in the transport sector. It explains the roles of different public agencies with transport responsibilities, how we work together, your main responsibilities, and opportunities to influence the transport system.

It has been jointly prepared by the government transport agencies for the incoming Minister of Transport and the Associate Ministers of Transport ['the Ministers'].

What it covers

There are four main parts:



Additional information is provided in Appendices:

- A: Government investments and Vote Transport
- B: Emergency management and search and rescue functions
- C: Relationships with international organisations

1.

Transport sector overview

The government transport sector is comprised of five specialist transport agencies and three State Owned Enterprises.



MINISTRY OF TRANSPORT



The Ministry of Transport

The Ministry is the government's principal adviser on transport policy, on all issues relating to transport and the regulatory framework that supports it. It also advises on the funding and governance of transport Crown entities.

NZ TRANSPORT AGENCY



MARITIME NZ



CIVIL AVIATION AUTHORITY



TRANSPORT ACCIDENT INVESTIGATION COMMISSION



Transport Crown Entities

Regulatory and operational functions are delivered through four Crown entities:

- the New Zealand Transport Agency [NZTA]
- Maritime New Zealand [MNZ]
- the Civil Aviation Authority [CAA]
- the Transport Accident Investigation Commission [TAIC].

KIWRAIL



METSERVICE



AIRWAYS



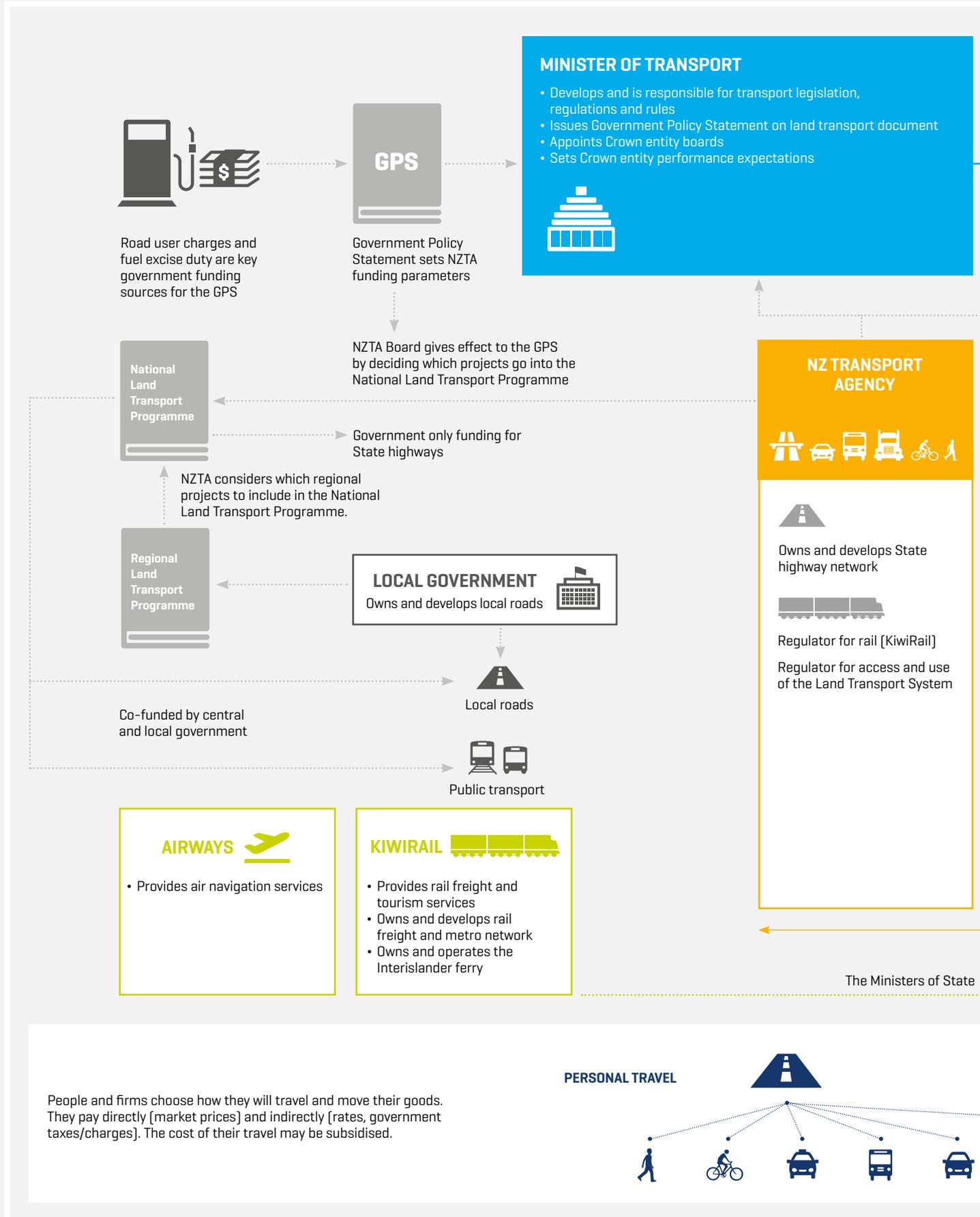
Transport State Owned Enterprises

In addition, there are three transport related State Owned Enterprises:

- KiwiRail
- Airways Corporation of New Zealand Limited [Airways]
- Metereological Service of New Zealand Limited [MetService].

Figure 1 overleaf provides an overview of agencies' roles and responsibilities. It also identifies the strategic importance of the Government Policy Statement on Land Transport [the GPS], discussed in Section Two.

Figure 1 – The government transport sector



MINISTRY OF TRANSPORT



The Ministry is the government's principal adviser on transport policy, on all issues relating to transport and the regulatory framework that supports it. It also advises on the funding and governance of transport Crown entities.

Accountable for performance of transport Crown entities

MARITIME NZ



Regulator for domestic and international shipping (commercial and non commercial, including KiwiRail and Interislander)



Regulator for ports
Regulator for seafarers
Leads response to major maritime incidents

CIVIL AVIATION AUTHORITY



Regulator for domestic and international air travel (commercial and non commercial)



Provides security services at airports (Avsec)



Regulator for airports, Airways NZ (which provides air traffic control services) and aviation sector staff

TRANSPORT ACCIDENT INVESTIGATION COMMISSION



Investigates aviation, maritime and rail occurrences from a safety perspective (not enforcement)

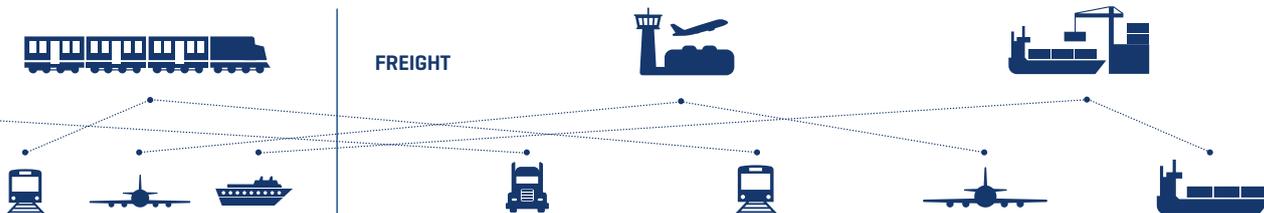
Contract to provide meteorological services to New Zealand

METSERVICE

- National meteorological service obligations
- Commercial weather services

Health and Safety in Employment Act responsibilities across sectors

Owned Enterprises (SOEs) and Finance are responsible for transport sector SOEs



2.

Strategic levers for Ministers to influence transport

The Transport Minister has a range of responsibilities, some of which they are required to undertake by law. These provide opportunities to influence the transport system. Ministers are responsible for setting the policy direction for the Ministry of Transport [the Ministry] and the Crown entities. They also make decisions informed by advice from the Ministry.



There are three areas where Ministers can make a particularly influential impact on the transport system:



Each of these opportunities is explained below. The Ministry is able to provide policy advice to support decision-making across all three of these areas.

1 Guiding land transport investments through the Government Policy Statement on land transport

At a high level, the Minister is able to set the strategic direction for investment in the land transport system, the long-term results, and the levels of investment available for different kinds of transport activity. This is primarily expressed through the Government Policy Statement on land transport (the GPS), which guides how funding decisions are made.

The GPS is issued by the Minister, and reviewed at least every three years. The Ministry publicly consulted on a new draft GPS 2018 in February 2017. The final document needs to be released well before it comes into effect on 1 July 2018, to allow for planning of expenditure to be undertaken by the NZTA and local authorities.

The GPS enables the Minister to set priorities for more than \$3.80 billion of annual investment from the hypothecated¹ National Land Transport Fund (NLTF) over the next 10 years, and to identify the Minister's expectations and desired results from funding decisions.

Funds for the National Land Transport Fund are collected primarily from taxes on petrol, road user charges on heavy vehicles and light diesel vehicles, and motor vehicle licensing fees. The Minister recommends to Cabinet the rates at which funds will be collected from these sources. Figure 2 (over) shows the revenue sources and expenditures from the National Land Transport Fund.

The GPS allocates funds across transport activity classes (e.g. State highways, public transport) and sets expected results. The Ministry monitors the NZTA's performance delivering on the GPS against expectations.

The NZTA's role is to decide on timing, form, and level of investment in specific projects that "give effect to" the GPS through the National Land Transport Programme. The NZTA makes its specific investment decisions at a distance from government.

¹ Hypothecation is the direct allocation of all income from a tax or charge (for example, fuel excise duty or road user charges) for a particular purpose, for example to the NLTF for the funding of land transport activities.

Figure 2 – National Land Transport Fund forecast revenue and expenditure, 2015/16 to 2017/18²

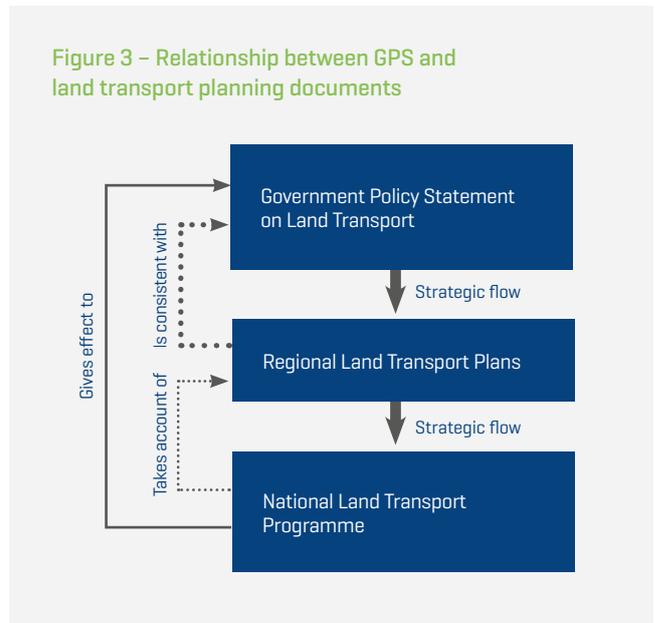


Regional Land Transport Plans are developed by regional councils (including Auckland Council) and contain all road and public transport projects and services for which funding is sought from the National Land Transport Fund. These are required to be consistent with the GPS. The National Land Transport Programme takes account of the Regional Land Transport Plans, but overall, must give effect to the GPS. Figure 3 shows how these planning documents work together.

Local authorities and Auckland Transport make funding bids to the National Land Transport Fund based on their Regional Land Transport Plans. The NZTA assesses these bids using the priorities, policies, and funding ranges set out in the GPS and the cost benefit appraisal of the projects. In this way, the GPS influences how funding is allocated and managed. Councils also contribute to the cost of their land transport activities from rates and borrowing, in what is known as the 'local share'. About half of Council land transport expenditure is matched by grants from the National Land Transport Fund.

From time to time events and opportunities arise where the government wants to exercise more control over investment than is permitted through the National Land Transport Fund. In these cases, the Crown is able to appropriate and direct additional funds through the usual Budget processes.

Figure 3 – Relationship between GPS and land transport planning documents



² Numbers have been rounded to the nearest \$100 million. The NLTF total does not equal the sum of individual revenue sources due to rounding. Expenditure often does not equal revenue in any year or over the short-term.

2 Setting the regulatory framework

The transport legislative framework (Acts, Rules, and regulations) play an important role in shaping and developing how the transport sector functions. In particular, the regulatory framework establishes, among other things, the:

- roles and functions of the transport Crown entities
- planning and funding arrangements for land transport
- role and powers of local authorities and road controlling authorities
- rules for access and use of transport modes
- compliance tools available to promote adherence to safety, security, and environmental requirements across the modes.

The Ministry develops and publishes regulatory strategies that set out how the Ministry fulfils its regulatory stewardship responsibilities. A key expectation is that departments regularly assess the health of their regulatory systems to ensure it is fit for purpose. The latest Four Year Regulatory Strategy includes revised assessments of the health of regulatory systems and an overview of regulatory priorities. The updated Regulatory Strategy concluded that the transport regulatory framework is fit for purpose, however, ongoing focus will be required to ensure the regulatory systems are flexible and responsive and minimise regulatory burden.

Primary legislation

The Ministry administers a number of Acts and is responsible for preparing changes to any legislation within the transport portfolio. The Ministry also collaborates with relevant departments on changes to legislation that may relate to the wider transport law area. Some of the key pieces of transport legislation are:

- the Land Transport Act 1998, which sets out the legislative framework for land transport regulation and safety
- the Land Transport Management Act 2003, which sets out the planning and funding framework for government investment in roading, public transport, and traffic safety
- the Civil Aviation Act 1990, which establishes the framework for civil aviation safety, security, and economic regulation in New Zealand and ensures that New Zealand obligations under international civil aviation agreements are implemented
- the Maritime Transport Act 1994, which sets out the framework for maritime safety and protection of the marine environment.

Transport Rules

Many policy decisions are implemented through changes to the transport regulatory framework. Transport Ministers are empowered³ to make these Rules through delegated responsibilities. Transport Rules contain detailed technical standards, requirements, and procedures governing the construction, maintenance, licensing, and operation of transport modes.

Rules are the most common form of delegated legislation for transport, and the responsible Minister is able to sign these into effect. In practice, Ministers of Transport have sought Cabinet consideration prior to signing Rules which represent substantial policy changes, or which may have a significant impact on the sector. Any associated offences, penalties, fees, and charges are specified through supporting regulation and require Cabinet consideration.⁴

The Crown entities develop the majority of the transport Rules with the Ministry's involvement. The Ministry provides an annual Rules funding payment to the Crown entities, enabling them to investigate possible Rule changes and develop the Rules. The Ministry prepares an annual Rules programme for Ministers, so they can advise Cabinet of the Rules or amendments that are being considered.

Air services negotiations

Under a global bilateral system, airlines are only able to operate scheduled international air services when an agreement is in place between the governments involved. When a new agreement or an amendment to an existing agreement is required, the Ministry will provide advice, and will negotiate on New Zealand's behalf. The International Air Transport Policy Statement guides the Ministry's approach to air services negotiations.

The relevant Minister is responsible for seeking Cabinet's agreement to hold the negotiations, and for confirming the outcome with Cabinet once the text of a new or amended agreement has been negotiated. Negotiations are generally held to remove specific restrictions, which may be preventing airlines from operating a particular service, or to provide new opportunities, which may be useful to airlines in the future.

3 By the Land Transport Act 1998, Railways Act 2005, Civil Aviation Act 1990, and Maritime Transport Act 1994.

4 For example, changes made to the Vehicle Dimensions and Mass Rule anticipate that the incoming Cabinet will consider consequent amendments to the Land Transport (Offence and Penalty) Regulations 1999.

3 Aligning the Crown entities' work with government priorities

Crown entity Boards are accountable to the Minister of Transport for the entity's performance. The Minister's roles and responsibilities are outlined in *Monitoring arrangements for transport sector Crown entities*, which is available on the Ministry's website (<http://www.transport.govt.nz/about/crown-entities-and-statutory-bodies/>).

Appointment of Chairs and Board members

The Minister is responsible for appointing or reappointing members to the Crown entity Boards with the appropriate knowledge, skills, and experience. This provides an opportunity to appoint members who promote good governance and high performance.⁵

The Ministry provides support and advice on Board appointments, and has best practice guidance for the process of making Board appointments.

The Ministry works closely with the Board Chair and the Minister to identify the skills required on the Board, and potential candidates.

The Ministry conducts the Board appointment process on the Minister's behalf, including seeking nominations, short-listing, interviewing, and reference checking. Once this process is complete, the Ministry provides advice to help the Minister decide the final candidate, as well as the Cabinet paper and other paperwork to finalise the appointment.

Setting and clarifying expectations

Clarity around expectations regarding priorities, scope, scale, and performance is critical for Boards and entities to perform. The Minister's annual letter of expectations to each of the Crown entity Boards is an opportunity to communicate strategic direction for the Crown entities to focus on. It also provides the basis for the Crown entities to develop their Statement of Intent and Statement of Performance Expectations. The letters of expectation provide opportunities to express any governance or performance issues related to the Crown entity, and the expected approach to resolve these. The Ministry supports the preparation of these letters.

Each Crown entity is required to prepare a draft Statement of Intent at least once every three years and a draft Statement of Performance Expectations [previously known as the Statement of Forecast Service Performance] annually. The Minister may require a Crown entity to provide a new Statement of Intent at any time. The Minister also has the opportunity to

provide formal feedback before the documents are finalised. The Ministry will assist in reviewing the documents and will provide advice.

Crown entity funding and third party fees, charges, and levies

The New Zealand Transport Agency, the Civil Aviation Authority, and Maritime New Zealand together receive the majority of their operating revenue from more than 75 fees, charges, and levies on third parties, rather than through Vote funding. Across the agencies, approximately \$300 million per year is raised this way. The Minister has responsibility for the rates at which these fees, charges, and levies are set, and for seeking Cabinet's agreement before recommending any changes to the fees to the Governor-General. These are critical decisions that determine the capacity and capability that these agencies have to deliver their responsibilities.

A fee or charge must be set at a rate that only recovers the costs of providing the service or delivering the function [unless the entity is expressly authorised to do otherwise]. In order to calculate proposed rates for fees and charges, each Crown entity needs to make future assumptions about the cost of providing its services and functions, and estimate the demand for them. This is done by making reasonable and logical assumptions based on the best information available, as well as taking into account any anticipated changes [such as inflation].

A full review of these assumptions, revenues, and costs is undertaken every six years. In between the reviews, the Ministry monitors the memorandum accounts to ensure no significant over or under recovery occurs.⁶

A levy differs from a fee or a charge and is similar to a tax on a specific group [which is usually compulsory]. Levies are charged to a particular group for a particular purpose, rather than to a specific individual for the provision of specific services or the delivery of specific functions. The process for reviewing levies is similar to that for fees and charges and is undertaken every three years [except for the Oil Pollution Levy].

Performance monitoring

The Crown entities provide quarterly reports⁷ on their progress against their Statement of Intent and Statement of Performance Expectations. Following receipt of quarterly or six monthly reports and annual reports, the Minister has an opportunity to provide feedback or direction through letters and meetings with the Crown entity Boards.

5 In relation to the TAIC, the Minister makes recommendations to the Governor-General on the appointment of Commissioners, who also act as the governing board for the organisation. The Minister appoints one of the Commissioners to be the Chief Commissioner, and another as the Deputy Chief Commissioner.

6 The Office of the Auditor-General suggests three yearly reviews of fees.

7 The Transport Accident Investigation Commission reports six monthly rather than quarterly.

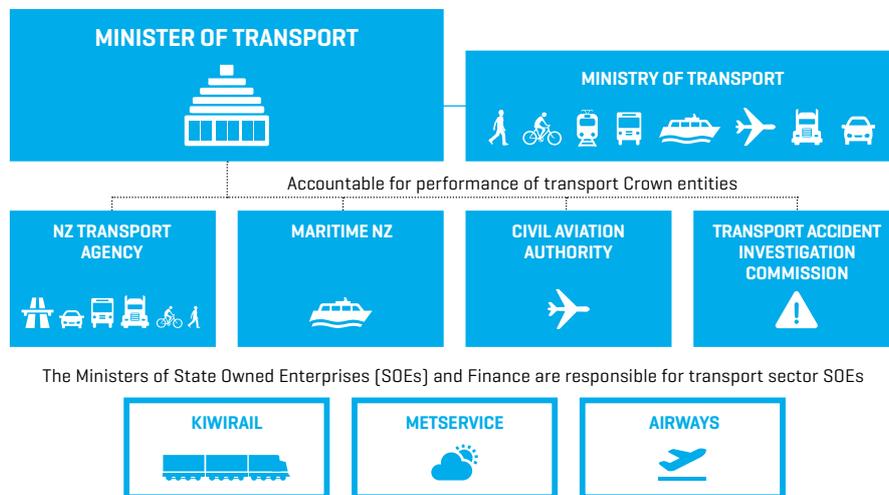
3.

Roles of transport agencies

This section explains the roles and functions of each agency in the government transport sector. Key agencies are illustrated in Figure 4 (over).



Figure 4: The government transport sector



How the Crown entity model supports Ministers

The government’s regulatory and operational functions within the transport sector are delivered through Crown entities with specialist functions. Crown entities are also legal entities in their own right.

Each Crown entity is governed by a Board of Directors appointed by the Minister of Transport. The Board is responsible for the performance of its Crown entity and is accountable to the Minister. The Ministry helps the Minister to set expectations and hold the Board to account. Boards in the transport sector exercise two main roles, which are to oversee⁸ the:

1. exercise of regulatory powers by the Crown entity
2. business strategy and operation of the Crown entity on the Minister’s behalf.

Ministers are able to set their expectations for the delivery of services from the CAA, MNZ, and NZTA Boards through letters of expectations. Ministers may direct the TAIC to hold an inquiry into an event, which does not meet the usual criteria for investigation.

Crown entity decision making

For many of their functions, the Crown entities have statutory roles – they operate independently from the Board and from the Minister. Crown entities operate with political neutrality and ‘sufficient separation’ to establish accountability and ensure there are no perceived or real conflicts of interest for Ministers. A decision to assign a government activity or function to a Crown entity indicates that the function should be carried out with distance from the government.

For example, the NZTA has statutorily independent decision-making rights on the activities it undertakes, including infrastructure investment decisions utilising the National Land Transport Fund.⁹

Crown entities in the transport sector fall into two subgroups: Crown agents (CAA, MNZ, and NZTA) and independent Crown entities (TAIC). Crown agents are obliged to “give effect to” government policy intentions as they undertake their roles, while independent Crown entities are statutorily independent.

Beyond central government

In addition to the government transport sector, local government (regional councils and territorial authorities) own and manage transport infrastructure, develop local transport policy, and provide public transport services within their own areas of responsibility. The private sector also makes a significant contribution to the operation of the transport modes and influences the achievement of the government’s policy outcomes.

Crown entities as health and safety regulators

The NZTA, MNZ, and CAA all have responsibilities under the Health and Safety at Work Act 2015 (HSWA) relating to work in the land, maritime, and aviation sectors respectively. This includes implementing risk management approaches, providing information and guidance, carrying out workplace inspections, auditing health and safety management systems, investigating incidents, and conducting enforcement action as necessary.

⁸ Subject to the Directors’ statutory independence for MNZ and CAA.

⁹ The Crown is able to appropriate and direct additional funds through the usual Budget processes where the government wants to exercise more control over investment than is permitted through the National Land Transport Fund.

The Ministry of Transport



The Ministry is the government’s principal adviser on transport policy. The Ministry advises government on all issues relating to transport and the regulatory framework that supports it. The Ministry also advises the government on the funding and governance of the transport Crown entities. Transport has implications for social, environmental, and economic issues. The Ministry has an important role in wider government discussions where these relationships are most pronounced.

The Ministry has three key functions:

Policy advice

The government will invest almost \$40 billion in transport over the next decade. The Ministry enables the government to align its investment decisions and objectives in order to maximise its return. Through this function, the Ministry also facilitates more open and efficient markets, and mitigates the safety and environmental harms that the system creates through regulatory design.

Crown entity governance

The transport Crown entities are the government’s key regulators in the transport system. The Ministry supports Ministers to appoint Boards and set expectations for the Crown entities, and the Ministry monitors actual performance to support the relationship between Ministers and Boards.

Sector leadership and stewardship

The Ministry leads the transport agencies in sector-wide coordinated action, and engages with the sector to develop a shared future direction for the transport system. Through its stewardship role, the Ministry looks ahead to better understand the factors that might influence transport over the next 20 to 30 years. The Ministry engages with stakeholders on the future of transport, and supports government to make the best decisions now as we shape our future transport system.

In addition to our key roles in policy, regulation and Crown entity oversight, the Ministry’s other functions include:

- representing New Zealand at international transport forums
- operating the Milford Sound/Piopiotahi Aerodrome
- overseeing the Crown’s interest in joint venture airports
- administering a contract with the MetService to provide a public weather warning and forecast service
- refunding fuel excise duty [contracted to the NZTA].

The Ministry also has a role to improve the transport system’s preparedness for, and management of, shocks and major events through its policy advice to government and its work across the government transport sector. The Ministry chairs the Transport Emergency Management Coordination Group and manages the Transport National Emergency Response Plan [Response Plan]. In a significant emergency, the Ministry activates the Response Plan and coordinates the transport agency responses.

Although the Ministry plays a critical role in the transport sector, it is a relatively small organisation with a budget of \$33 million per annum in 2017/18, rising to \$36 million in 2020/21 following a successful Budget 2017 bid. It has funding for approximately 150 staff.

The Ministry recently transformed to a new operating model and way of working, to ensure that it is positioned to respond to the challenges and opportunities in New Zealand’s transport sector.

The New Zealand Transport Agency (NZTA) is the government's land transport delivery arm. Its functions are set out in the Land Transport Management Act (LTMA) 2003 and include investing in, managing and regulating most aspects of the land transport network.

NZTA has approximately 1400 staff with an operating budget of \$300 million. The LTMA sets out the NZTA's statutorily independent functions, which include (among other things) the approval of procurement procedures, determining whether particular activities are to be included in the National Land Transport Programme, the NZTA's response to the Government Policy Statement on land transport, and deciding which activities qualify from the National Land Transport Fund.

The NZTA's functions under the LTMA

1. Planning function

The NZTA works to integrate land use and transport planning and prioritises investments that contribute to a future fit, multi-modal land transport system for smarter, safer travel connections and better levels of service for customers.

2. Investment function

The NZTA makes investments that deliver on government priorities set through the GPS, contribute to lifting economic growth and productivity, and represent optimal value for money.

In addition, the NZTA works with local councils to co-invest in local roads, public transport, walking and cycling services and infrastructure, and transport operation centres to improve network efficiency. Investment in the Road Policing Programme is managed by the NZTA on behalf of the government.

3. State highway management function

The State highway network is one of New Zealand's most important pieces of economic infrastructure. The State highway network makes up 13 percent of New Zealand's total road network, but it carries almost 50 percent of the vehicle traffic and nearly three quarters of the kilometres driven by heavy vehicles.

4. Regulatory function

The NZTA's regulatory work includes licensing, registration and enforcement activities, and the provision of information to customers. The NZTA is also the rail safety regulator on behalf of government. The NZTA is responsible for managing the driver licensing system and issues around 250,000 driver licences annually. It also manages the registration and annual licensing of motor vehicles, with over 6.3 million motor vehicle licence transactions each year.

Strategy, operating model and structure

In response to rapid changes in land transport around the world, the NZTA has refreshed its organisational strategy and on 3 July 2017 it embedded a new operating model and organisational structure.

The three strategic responses at the heart of the NZTA's structure are:

- one connected transport system – integrating digital technology with physical infrastructure to create a safe, connected system that works for everyone
- people centred services – understanding customer needs and using data to design better solutions
- partnerships for prosperity – improving social, economic and environmental outcomes through targeted partnerships.

The structure is based on a value-chain model that consists of 11 groups with strategy, systems, and customer service functions at its core. This model will enable the NZTA to be more agile and efficient and ensure the right resources are in the right place to meet future challenges.

Maritime New Zealand (MNZ) is the national regulatory, compliance, and response agency for the safety, security, and environmental protection of coastal and inland waterways. Established in 1993, MNZ is governed by a five-member Board appointed by the Minister of Transport under the Maritime Transport Act 1994.

MNZ has approximately 211 staff and a consolidated operating budget (including the Rescue Coordination Centre New Zealand and the Oil Pollution Fund) of \$50 million under Vote Transport. It operates 10 regional offices, a head office in Wellington CBD, the Rescue Coordination Centre New Zealand in Avalon Lower Hutt, and the Marine Pollution Response Centre in Te Atatu Auckland.

MNZ's mission is "A professional, evidence based, intelligence-led, risk focused regulatory, compliance and response agency."

MNZ is the national regulatory, compliance, and response agency for the safety, security, and environmental protection of coastal and inland waterways. It is responsible for promoting a safe, secure, and clean maritime environment for all commercial and recreational activities on the water, and minimising the impact of maritime incidents and accidents on New Zealand and its people.

The maritime sector in New Zealand is complex, diverse, and a major contributor to – and enabler of – the New Zealand economy. New Zealand is largely reliant on shipping to carry international trade, with 99 percent export tonnage (worth \$70.9 billion) and imports (worth \$67.2 billion) carried by sea by 1.8 million container movements. The fishing industry generates annual export earnings of \$1.74 billion. There is also an expanding offshore sector, a vibrant charter boat, ferry and adventure tourism sector, a large marine manufacturing industry, and nearly one million recreational vessels.

International rule-making facilitates this trade through regulating the global shipping industry. It provides predictability and certainty in the transportation of sea freight across multiple jurisdictions, thereby enabling us to get products to market, efficiently and safely. International standards also protect our marine environment and enhance the safety of mariners and passengers.

MNZ seeks to drive effective international maritime engagement within the context of the government's overall objectives for transport.

MNZ has three key responsibilities.

1. Regulation

MNZ is charged with regulating a diverse maritime community embracing everything from the recreational dinghy through to the large ocean-going vessels that carry New Zealand's trade to the world. MNZ helps to influence, develop, and maintain the international and national safety, security, and environmental protection policies and regulations that govern the operation of vessels, ports, and offshore installations in New Zealand waters. In practice this involves:

- engaging with and influencing multiple international bodies to ensure New Zealand interests are clearly represented and shape the development of global maritime regulation in ways that align with New Zealand's economic, social, and environmental objectives
- contributing to international agreements on common safety, security, and environmental protection standards that are essential to ensure the smooth functioning of international shipping and trade; and translating the international agreements New Zealand adopts into workable domestic legislation
- undertaking maritime domain assessments and policy investigations to ensure New Zealand's maritime regulatory framework remains relevant, robust and responsive
- administering 40 maritime Rules and 28 marine protection Rules including a large number that give effect to over 30 maritime and marine protection international conventions and protocols adopted by New Zealand.

2. Compliance

MNZ supports, encourages, and requires operator compliance with regulations by:

- providing accessible and timely information and assistance to the maritime community to manage the risks they face and their legal obligations; and to develop the systems they can use to manage risk
- licensing and certifying seafarers and commercial maritime operations, including maritime training institutions
- educating the maritime community
- auditing operators and service providers such as port companies and ship surveyors and taking actions that incentivise and assist compliance (improvement notices, imposing conditions, detentions etc)
- investigating incidents to try to stop them happening again, enforcing the regulations to hold people to account for their actions (for example through civil or criminal proceedings, revocation of documents or prosecution).

3. Response

MNZ manages the development, maintenance, and delivery of national maritime incident response services including:

- providing a 24 hour national land, sea, and air search and rescue coordination service
- leading New Zealand's responses to significant maritime incidents and emergencies, including the management of oil pollution/spills
- maintaining New Zealand's coastal navigation aids to shipping (principally coastal lights) and operating the national 24 hour maritime distress and safety radio service
- administering the emergency locator beacon detection network for land, sea and air and managing the development and improvement of national maritime incident response capabilities.

The Civil Aviation Authority



The Civil Aviation Authority (CAA) is New Zealand's aviation safety regulator, established in 1992 as a crown entity under the Civil Aviation Act 1990. The CAA is governed by 'the Authority', a five-member board appointed by the Minister to represent the public interest in civil aviation. The Authority is sometimes referred to as the Board.

The CAA seeks to achieve its key strategic objective of 'safe and secure skies to help New Zealand fly' through two key functions:

- **regulatory:** regulating civil aviation safety and security, through accident and incident investigations, certification, inspection, safety promotion, surveillance, auditing, policy and strategy development, and international engagement
- **security:** providing aviation security services at security-designated airports through the Aviation Security Service [Avsec].

The Director of Civil Aviation and Chief Executive, appointed by the Board, has independent statutory powers to control entry into the civil aviation system [e.g. granting aviation documents], and to monitor and enforce regulatory requirements.¹⁰ The governance structure of the CAA is provided in figure 5.

Core functions

The primary objective for the CAA is carrying out 'safety, security and other functions in a way that contributes to the aim of achieving an integrated, safe, responsive and sustainable transport system'. The CAA does this through five core outputs:

1. Policy and Regulatory Strategy

The CAA works to ensure that New Zealand's civil aviation system:

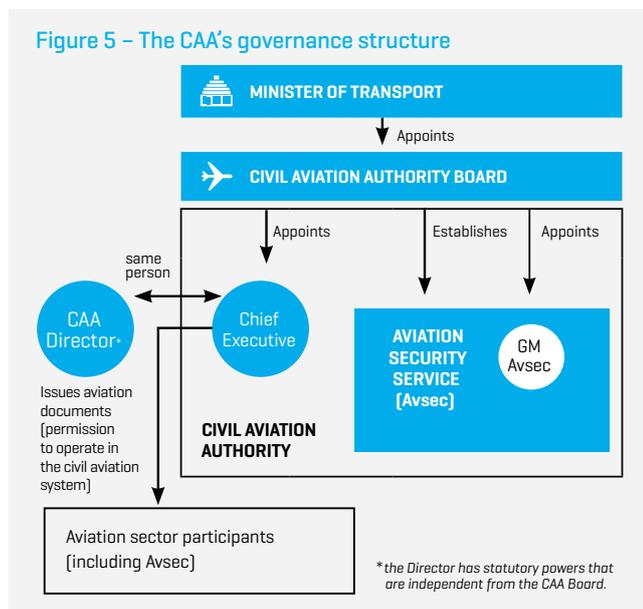
- is robust and responsive to the continually changing aviation community
- is respected internationally
- provides an appropriate level of safety and security for the New Zealand public.

Civil aviation in New Zealand has minimum standards for safety and security that must be met by participants. The standards are set out in the Civil Aviation Rules, which are made by the Minister of Transport (or in some cases by the Associate Minister of Transport).

2. Outreach (education and safety promotion)

The CAA aims to influence attitudes, change behaviour, and encourage aviation participants to operate well above safety minimums. It supports civil aviation participants with aviation safety publications, courses, seminars, and tailored advice. Safety education focuses on the greatest safety concerns, often identified by safety investigations and data analysis.

Figure 5 – The CAA's governance structure



10 For example, the Director is not accountable to the Minister of Transport or the CAA Board when he/she issues an aviation document such as an air operator certificate to an operator, removes an aviation document, such as a pilot licence, from a person, or takes action against individuals or operators for breach of the Civil Aviation Rules.

3. Certification and licensing

The CAA uses certification and licensing to control entry and exit to the New Zealand civil aviation system. To operate within the civil aviation system, an individual or organisation must be granted an aviation document by the Director of Civil Aviation. Aviation documents include: a pilot licence, operating certificate, aircraft registration, engineer licence, air traffic control licence, or aerodrome certificate.

4. Surveillance and investigation

The CAA monitors compliance with safety and security standards, investigates and analyses accidents and incidents, and carries out corrective action and enforcement. The CAA's monitoring role includes inspecting and auditing participants in the civil aviation system using a risk based methodology. It assesses the level of risk that each operator poses to aviation safety, then determines the amount of monitoring each operator receives.

5. Security service delivery

Avsec, the aviation security service, is jointly responsible with the New Zealand Police for security at security-designated airports and air navigation facilities. There are increasingly sophisticated threats to aviation security and Avsec needs to be able to respond promptly and efficiently, remaining vigilant without causing unnecessary alarm and disruption to air travellers.

All departing international passengers are screened by Avsec for prohibited items and dangerous goods, as are domestic passengers on aircraft with 90 or more seats. Avsec also screens airport workers, provides access control to restricted areas and undertakes perimeter patrols to ensure prompt interception of persons unlawfully in security areas. This includes protecting places and equipment used to aid air navigation.

Avsec contributes to New Zealand's national approach to counter-terrorism capability by participating in cross-agency planning and evaluation activities. Avsec also provides a maritime security response. Avsec has the capacity to screen cruise ships if required. It works in conjunction with other government agencies on high-profile events that could be targets for terrorism. Avsec can provide other security services at the request of the New Zealand Police or as required by the government.

The Transport Accident Investigation Commission



The Transport Accident Investigation Commission (TAIC) was established to assist New Zealand to comply with its international aviation obligations of ensuring independently conducted safety-focused accident investigations. This role has since expanded to include investigation of rail and maritime accidents. TAIC is an independent Crown entity with the powers of a Commission of Inquiry.

The five-member Board employs a chief executive. The Chief Executive employs 27 staff to support the Board, including 16 specialist investigators (including the Chief Investigator of Accidents) and 11 staff to support TAIC investigations and Crown entity accountability and governance functions.

TAIC is Crown funded with an annual budget of \$5.530 million for 2017/18. TAIC's target for 2017/18 is to complete 20-25 domestic inquiries and assist 4-8 overseas jurisdictions' inquiries with a New Zealand connection.

Although TAIC is part of the transport sector, it is independent of other public sector organisations and the government in the conduct of its inquiries. TAIC has three key elements to its role, identified below.

1. Purpose

To determine the circumstances and causes of aviation, rail and maritime accidents and incidents [occurrences] with a view to avoiding similar occurrences in the future, rather than to ascribe blame.

2. Functions

TAIC's principal function is to investigate aviation, rail and maritime occurrences. To that end, in the case of each occurrence, it must:

- decide whether to investigate based on whether there are significant implications for transport safety or if there are likely recommendations that would improve transport safety
- coordinate and direct the investigations it initiates, coordinate with other States with participation rights, and decide which other parties (if any) should be involved in its investigations
- consider evidence gathered by investigators, advice from experts, and the submissions of consulted people and organisations; and hold private or public hearings
- publish its findings and recommendations.

3. Powers

The Commission has broad investigative powers under the Transport Accident Investigation Commission Act 1990, including the power of entry and inspection and the power to seize, remove and protect evidence. It also has powers under the Commissions of Inquiry Act 1908, including the power to require a person to produce any papers, documents, records or things, or to summons any person to appear before its Commissioners. Some evidence the Commission gathers such as witness interviews and submissions is protected from general disclosure except for the purposes of the investigation, reflecting its independence and purpose.

Transport State Owned Enterprises

There are three transport-related State Owned Enterprises (SOEs):



SOEs are required to operate as successful businesses and be profitable and efficient, in a similar fashion to businesses that are not owned by the Crown. SOEs have two shareholding Ministers, the Minister of Finance and the Minister of State Owned Enterprises.

KiwiRail



KiwiRail is responsible for operating freight and tourism passenger services on 3500 kilometres of rail network and three interisland ferries. KiwiRail also provides the rail network for Auckland and Wellington metro rail services.

KiwiRail's core purpose is to move people and freight, and to cooperate with other players in the sector to create integrated transport solutions for customers. KiwiRail is focused on efficient freight movements (via rail and ferry) and helping customers to be more competitive.

Moving freight by rail instead of road produces significantly less carbon emissions, so KiwiRail could also play an important role in meeting New Zealand's climate commitments.

The Minister's responsibility for KiwiRail covers the regulation of its operation through transport Rules.

Responsibility for its funding and business decisions sits with the shareholding Ministers, although the Minister of Transport may be involved in these issues from time to time, if funding is provided through Vote Transport.

The NZTA is responsible for enforcing the regulations to ensure the safe operation of KiwiRail.

In Budget 2017, the government announced a rail review which will investigate KiwiRail's operating structure and longer-term capital requirements. At the time of the announcement the Minister of Transport stated that the review will provide KiwiRail with a "long-term, transparent, sustainable model".

The review is an opportunity to highlight KiwiRail's role in an integrated transport system delivering for New Zealand. It will look at rail's purpose and opportunities for coordinating investment in road and rail to optimise outcomes. The review will also investigate the wider benefits of rail such as the environmental advantages of transporting freight by rail.

Meteorological Service of New Zealand Limited (MetService)



MetService's core purpose is to provide weather services that support safety of life and property and, as an SOE, add value to the New Zealand economy.

Weather impacts significantly on New Zealand's economy, including tourism, agriculture, and general mobility. MetService provides a wide range of weather information services and data to government (including other transport sector agencies), business, and directly to the public, to promote public safety and inform weather-related risk management and decision making.

On behalf of the government, under the Meteorological Services Act 1990, the Minister is responsible for ensuring the provision of meteorological services in New Zealand, including the country's authorised meteorological warning service.

MetService is contracted by the Ministry to deliver New Zealand's National Meteorological Service function, which includes:

- provision of weather forecasts and warnings to support public safety in New Zealand
- provision of severe weather guidance and other meteorological support to States in the Southwest Pacific
- marine forecasts and warnings for New Zealand coastal waters and large areas of the South Pacific and Southern Ocean
- meteorological data collection and exchange with other World Meteorological Organization Member States
- representation of New Zealand at the World Meteorological Organization (a United Nations Specialised Agency).

MetService works closely with other transport sector agencies. It provides specialised road environmental information services to the NZTA and its Network Operations Contractors, for the management of weather impacts on the State highway network and other major roads.

MetService provides commercial weather services for domestic and international aviation, including airports and airlines. It supports the CAA in meeting New Zealand's obligations to the UN International Civil Aviation Organisation (ICAO), including operation of the Wellington Volcanic Ash Advisory Centre, one of nine such centres worldwide.

MetService also provides 24/7 support for land-based and marine search and rescue operations, and works closely with MNZ to promote safer boating. MetService's website, apps and social media channels provide a platform for communicating weather and other relevant information, including road snowfall warnings and NZTA traffic incidents updates.

The Ministry works to support the Minister's interest to ensure the required services are provided to World Meteorological Organization standards at an appropriate cost. The government's shareholding Ministers are responsible for the performance of MetService as an SOE.

Airways Corporation of New Zealand Limited (Airways)



Airways provides air navigation services, which enable safe, reliable and efficient air transport within New Zealand airspace, and across the Pacific Oceanic Flight Information Region, one of the largest airspace regions in the world. It is also responsible for maintaining and investing in the aviation infrastructure that supports New Zealand's air traffic management system.

Airways is fully self-funded primarily through fees and charges for its services to the airlines. It has created innovative best-in-class traffic management systems which enable airlines operating in New Zealand to achieve optimal efficiency while delivering those services at a price in the lowest quartile globally.

The air navigation service provider (ANSP) is regulated by the CAA and provides its service in line with Civil Aviation Rules and international standards. Airways is focused on keeping pace with international technology developments while providing an economic return on investment to the government. It is also contracted by the CAA to provide Aeronautical Information Services (information for pilots).

Airways is working with the CAA on the implementation of the National Airspace and Air Navigation Plan (the Plan) through the New Southern Sky programme, from 2014 to 2023. The Plan is a 10-year programme to modernise New Zealand's aviation system.

In addition to its statutory role of providing safe and efficient air traffic control services, Airways is enabling new entrants to use New Zealand's airspace. The ANSP has supported approximately 120 near-space launches to date, with both NASA and Google choosing New Zealand for super-pressure scientific balloon launches. Airways also provides air traffic control services to Rocket Lab to launch its satellites into space.

Airways is certified by the CAA to provide air navigation and flight information services at airports. To ensure this relationship functions without undue influence, roles and responsibilities are separated between the responsible Minister, the Ministers of Finance and State Owned Enterprises as shareholders, the CAA as regulator, and Airways as the service provider.

Role of local government

Local government has a significant role in the transport sector through its funding and planning roles, in accordance with the Land Transport Management Act 2003.¹¹ Local government is responsible for local road development and maintenance, planning and contracting for public transport services, and walking and cycling infrastructure and initiatives. In most cases, these activities are co-funded with the NZTA from the National Land Transport Fund.

Regional Transport Committees are responsible for developing Regional Land Transport Plans, which set out their proposed transport activities for inclusion in the NZTA's National Land Transport Programme.

There are 16 Regional Transport Committees, which include representatives from all the councils in a region and the NZTA. Regional councils provide local subsidies for public transport and services. City and district councils are responsible for providing and managing their local roads.

Auckland Transport was created in 2010 as a Council Controlled Organisation when Auckland Council was established as a Unitary Authority. The Board of Auckland Transport is the Regional Transport Committee for the Auckland region, with the local road functions of a city or district council and the public transport functions of a regional council. The Board includes a representative of the NZTA. Auckland Transport are also progressing the development of City Rail Link (CRL), which is jointly funded by the government and Auckland Council. City Rail Link Ltd, which came into being on 1 July 2017, has full governance, operational, and financial responsibility for the CRL, with clear delivery targets and performance expectations.

Some councils have a partial ownership interest in ports and airports, as shareholders in port or airport companies including CentrePort in Wellington, which is owned by Wellington Regional Council and Horizons Regional Council (Manawatu-Wanganui).

In the maritime sector, local councils are responsible for ensuring port and harbour safety and the provision of navigation services. Local councils also have a role in oil pollution response activities. Maritime NZ has overarching responsibility for pollution responses. A safety initiative between Maritime NZ, Regional Councils, and ports also exists in the form of the Port and Harbour Marine Safety Code.

¹¹ Local government also has statutory obligations under various other Acts.



4.

How the transport agencies work together

A shared transport outcomes framework

In 2012, the government transport agencies agreed a common outcomes framework for the sector [see figure 6]. The outcomes framework provides transport agencies with an understanding of their long-term collective objectives within the overall system, and promotes a joined up transport sector.

Figure 6 – Transport agencies’ long-term outcomes



Each transport agency has its own lower level interventions and initiatives through which it delivers on the four long-term outcomes. Those individual interventions reflect the statutory responsibilities of each agency and its broader role within the transport system.

How the transport agencies respond to the government’s and Ministers’ priorities

The Transport Ministers and their colleagues will have their own immediate priorities for the development and operation of the transport system. Subject to their statutory roles and functions, transport agencies are able to respond to these by adjusting the level of resource and priority applied across the four long-term outcomes. This enables the transport agencies to maintain their internal coherence (their purpose and role), while at the same time recognising and responding to the changing priorities of governments over time.

Sector coordination

The government transport agencies have established various ways to encourage coordination and efficiency within the sector. These include taking a sector-wide approach to leadership and capability building.

The Ministry takes an active role to promote understanding of government’s priorities within the Crown entities, including the ongoing drive for improved agency performance.

Initiatives to promote cross sector engagement are discussed below.

Transport Sector Leaders group

The Ministry chairs the Transport Sector Leaders (TSL) group, which is made up of the Ministry, the transport Crown entities, and the three State Owned Enterprises. The TSL provides collaborative leadership to maximise outcomes for New Zealanders through the following strategic outcomes:

- support and contribute to national and regional economic development
- achieve affordability, credibility, right investment from the right source
- improve safety and security (including sovereignty)
- build an enabling transport sector.

To meet these strategic objectives, the TSL have adopted three key priorities:

- **digital and infrastructure:** the transport sector should be customer driven, identify and capitalise on opportunities, build and leverage partnerships, and enable innovation
- **investment and funding:** develop a more efficient regulatory environment, the right investment through the right mechanisms, incentivise shared capability and innovation, and build partnerships to innovate
- **strategic resilience:** we need to be able to identify and manage maximum acceptable fragility, manage shocks as if they were risks, build agility for shifting resources inter-modally, and balance the strategic outcomes with the transport sector's core role as regulators.

Transport sector collaboration and capability

Transport sector agencies have developed a Collaboration and Capability Strategy for the transport sector. The focus of this is to find innovative ways to improve the services they deliver to New Zealanders, with the key aim to reduce cost and be more efficient.

The Transport Sector Collaboration and Capability Strategy 2014-2018 is the result of the transport sector examining the way it works together, and how it can more cost effectively and efficiently deliver business services. The agencies involved are the Civil Aviation Authority, the NZTA, Maritime New Zealand, the Ministry of Transport, KiwiRail, MetService, Airways, and the local Council Controlled Organisation Auckland Transport.

Other sector and cross sector groups in the transport sector

National Road Safety Committee

The National Road Safety Committee (NRSC) is a group of government agencies with responsibilities for road safety. The NRSC developed, and is responsible for implementing, the government's Safer Journeys strategy, which guides New Zealand's efforts to improve road safety from 2010-2020. More broadly, the NRSC is the principal forum for agencies to communicate, coordinate, and agree strategy on road safety issues.

The NRSC members include: the Ministry, the NZTA, NZ Police, and the Accident Compensation Corporation. NRSC associate members include: Local Government NZ, the Energy Efficiency and Conservation Authority, the Ministries of Justice, Health, and Education, and the Ministry of Business, Innovation and Employment.

New Zealand Search and Rescue Council

The New Zealand Search and Rescue (NZSAR) Council has a mandate from the government to provide strategic governance and leadership to the New Zealand search and rescue sector. The NZSAR Council consists of the chief executives of departments with search and rescue responsibilities, and includes the Ministry, Maritime New Zealand, the Civil Aviation Authority, Department of Conservation, NZ Police, the New Zealand Defence Force, and an independent member. The NZSAR Secretariat is accountable to the NZSAR Council, providing support services, policy advice, and assisting in delivering the NZSAR Council's strategy.

Further detail on the New Zealand Search and Rescue Council is provided in *Appendix B – Emergency management and search and rescue functions*.

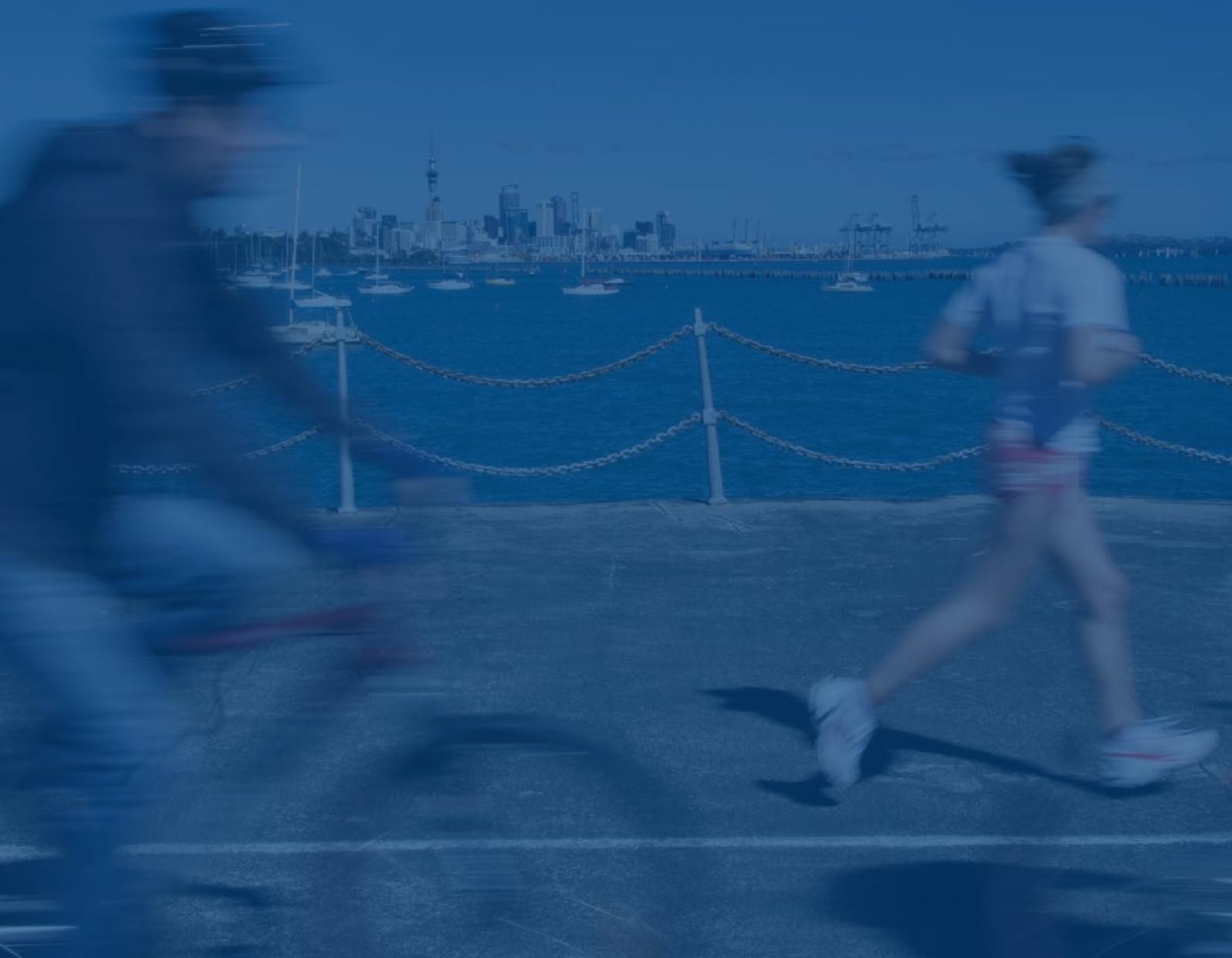
Electric Vehicles Programme Leadership Group

The Ministry convenes a leadership group with ten representatives from industry, local government, and relevant government agencies. The Electric Vehicles Programme Leadership Group acts as a conduit for information sharing between central and local government and industry; is a reference panel to test ideas and decisions before they are implemented; and provides strategic leadership to the Electric Vehicles Programme.



Appendices

Government investments and Vote Transport



Investment in land transport

The government has over \$60 billion of land transport assets, and will invest almost \$37 billion in the system over the next 10 years. Local government will spend \$10 billion in local road infrastructure and services over this period (with central government contributing additional funds depending on the projects).

The land transport sector includes State highways, local roads, public transport, walking and cycling, and road policing.

The Ministers of Transport, the Ministry of Transport (the Ministry), and the New Zealand Transport Agency (NZTA) have responsibility to ensure that transport investment decisions help New Zealand to thrive. To do this, our focus needs to be on building a transport system that will not only serve New Zealand well in the short term, but also over the next 10, 20, and 30 years.

Investment in air transport

State-owned air navigation services provider Airways New Zealand has more than \$176 million of air transport assets, and will invest \$410 million in capital infrastructure over the next 10 years. New investments will focus on technologies that will enhance the efficiency and long-term sustainability of the air transport network. A key focus is on supporting the government's New Southern Sky initiative which will align New Zealand's aviation technology and systems to global modernisation roadmaps.

Vote Transport at Budget 2017 totals \$5.2 billion for 2017/18.

Appropriations in Vote Transport by recipient – explained subsequently	2017/18 \$m
Roading	
National Land Transport Programme	3,227
Loans	616
Funding from the Crown	416
Rail	861
Crown entities	39
Other	61
Departmental funding	37
Total	\$5,257

Land transport revenue

Road tax revenue (from fuel excise duty, road user charges, and motor vehicle registration licensing fees) is forecast to be \$3.6 billion in 2016/17. The majority is hypothecated to the National Land Transport Fund, \$310 million to Vote Police for road policing, and \$9.7 million to search and rescue activities.

Roading – NLTP and other road funding

	2017/18 \$m
Road tax revenue appropriated	
Operating	2,067
Capita	1,160
Sub total	3,227
Crown appropriations	
Capital – cash flow management loan	500
Capital – project loans	116
Other	416
Total	\$4,259

The road tax revenue collected is appropriated by legislation to deliver the National Land Transport Programme in line with the current Government Policy Statement on land transport.

The National Land Transport Programme is a 3-year programme. To allow the New Zealand Transport Agency flexibility to manage cash flow pressures over the year, the Crown has approved a short-term loan facility, shown in the previous table, to be repaid from future road tax revenue. The loan balance may not exceed \$250 million at any one time, but because the funding can be repaid and redrawn during the year, the loan is appropriated at \$500 million per year to represent drawdowns only.

In addition, there is some short-term funding from the Crown for roading, which takes the form of loans and grants.

The project loan of \$116 million is for the Auckland Transport Package. The other Crown funding is for the reinstatement of State Highway 1 (\$325 million), the Regional State highways programme (\$36 million), and Urban Cycleways Programme (\$55 million).

Rail

	2017/18 \$m
<i>Funding to the KiwiRail Group</i>	
Capital – support for the rail freight business	220
Wellington metro rail	26
Rollover of existing Crown loan	163
Capital – land sales	12
Other projects	4
<i>Funding to the Auckland Council</i>	436
Total	\$861

From 2009/10 to 2017/18, the government has committed \$1.6 billion in support for the rail freight business. Land sales reflect equity injection to KiwiRail resulting from property transactions by New Zealand Rail Corporation. It is not new cash from the Crown. Other funding is for public policy and safety projects

Crown entities

Appropriation	2017/18 \$m
Maritime New Zealand (includes \$5m for Search and Rescue)	22
Transport Accident Investigation Commission	6
Civil Aviation Authority (including the Aviation Security Service)	3
New Zealand Transport Agency	8
Total	\$39

The New Zealand Transport Agency figure above excludes funding paid into the the National Land Transport Fund, and represents other appropriations from the Crown for additional activities. The figures include some capital expenditure.

Other

Appropriation	2017/18 \$m
MetService – weather forecasts and warnings	23
SuperGold card concessions	28
Bad debt provision – Motor vehicle and road user charges	5
Search and rescue agencies (non MNZ)	3
Membership of international organisations	1
Joint venture airport funding	1
Total	\$61

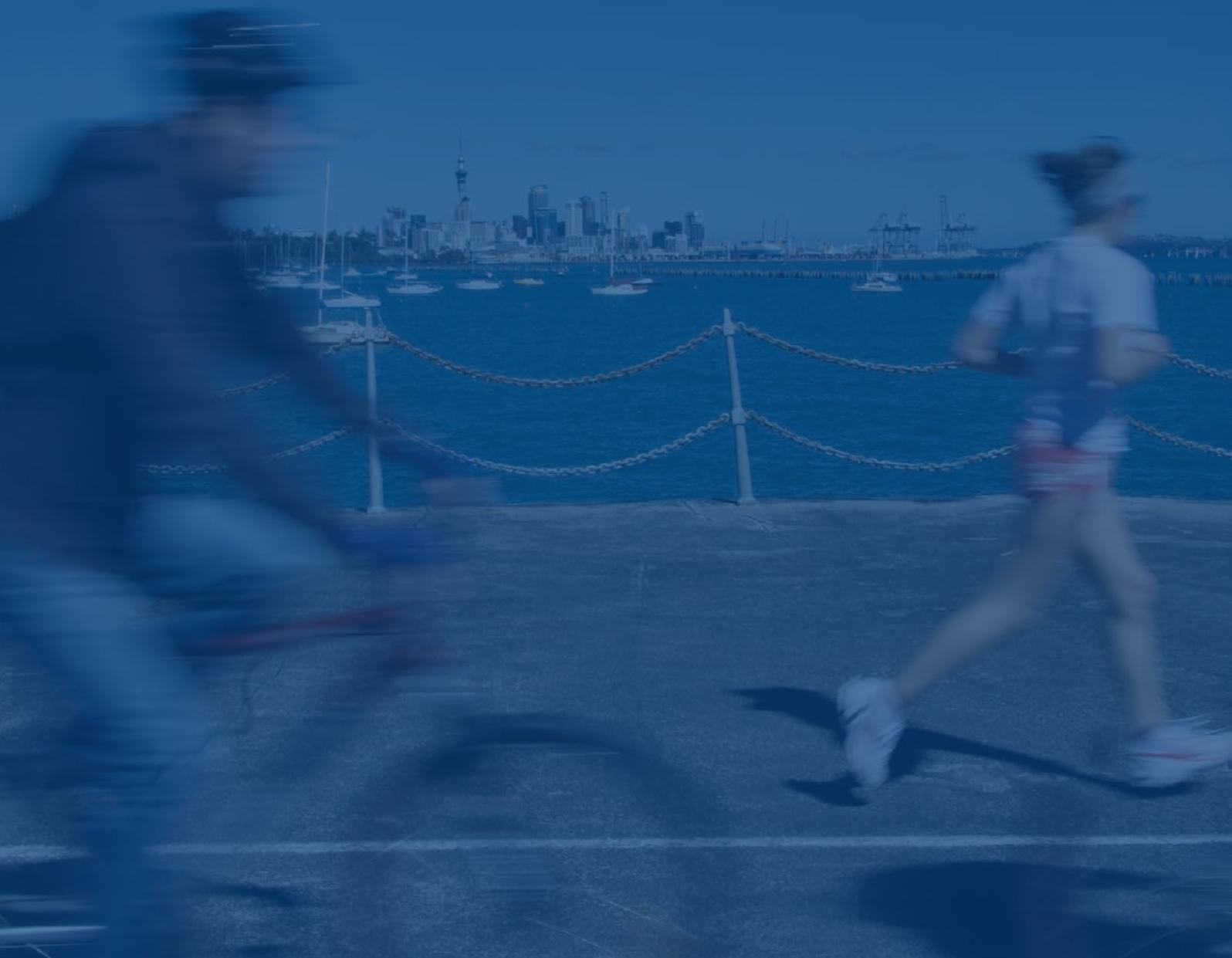
Departmental outputs

Appropriation	2017/18 \$m
Policy advice and related outputs Multi Category Appropriation	33
Search and Rescue Permanent Legislative Authority	2.6
Milford Sound / Piopiotahi Aerodrome operation	0.2
Fuel excise duty refund administration	0.8
Total	\$36.6



Appendices

Emergency
management
and search and
rescue functions



Emergency management

The transport sector is vulnerable to shocks and major events that disrupt services. The sector plans for future needs and emergencies, and is able to respond quickly to failures that disrupt or damage infrastructure.

Cross government, emergency management exercises are held regularly to ensure departments and management systems are efficient and are able to respond effectively. Exercise Tangaroa was held in September 2016 to contribute to readiness for a tsunami scenario with less than three hours warning before hitting the nearest New Zealand coastline.

Through its contract with the Ministry, MetService provides a high level of support to the Ministry of Civil Defence and Emergency Management and to regional council emergency managers.

Search and Rescue Council

New Zealand's 30 million km² Search and Rescue (SAR) region, the world's third largest, extends from the South Pole to the southern border of the Honolulu region, including Norfolk, Tonga, Samoa, and Cook Islands.

Collectively, the SAR sector comprises approximately 12,000 people from a wide variety of public, non-government and commercial organisations of whom around 95 percent are volunteers. Last year the sector saved 160 lives, rescued 670 people, and assisted a further 927 people. These actions averted \$597 million in social costs to New Zealand with a 30:1 cost benefit ratio on the government's investment.

The New Zealand Search and Rescue Council, established by Cabinet in 2003, has a mandate from government to provide strategic governance and leadership to the SAR sector and advice to Ministers. The Council consists of the chief executives of departments with SAR responsibilities and includes the Ministry of Transport, Maritime New Zealand, Civil Aviation Authority, Department of Conservation, NZ Police, New Zealand Defence Force and an independent member.

The Ministry receives funding for and hosts the NZSAR Secretariat. The Ministry may also provide independent search and rescue policy and funding advice.

Either the NZ Police or the Rescue Coordination Centre (which is an operating group within MNZ) coordinates SAR operations. The responsible coordinating authority will request the use of search and rescue assets depending on the requirements of the operation. A wide variety of organisations may participate in search and rescue operations, including the Department of Conservation, LandSAR, Coastguard NZ, Surf Life Saving NZ, rescue helicopters, NZ Police, commercial vessels, NZ Defence Force and a variety of smaller organisations or assets.

The search and rescue sector's revenue comes from a variety of sources, including Crown funding through Vote Transport, Vote Police, Vote Conservation, and Vote Defence, and hypothecated funding collected under the Land Transport Management Act (which recognises the fuel excise duty paid by recreational mariners). Commercial sponsorship, local fundraising, community grants, and the Lotteries Grants Board also provide funding to the wider sector. The overall annual government investment in search and rescue varies according to operational activity, but is generally around \$23 million.

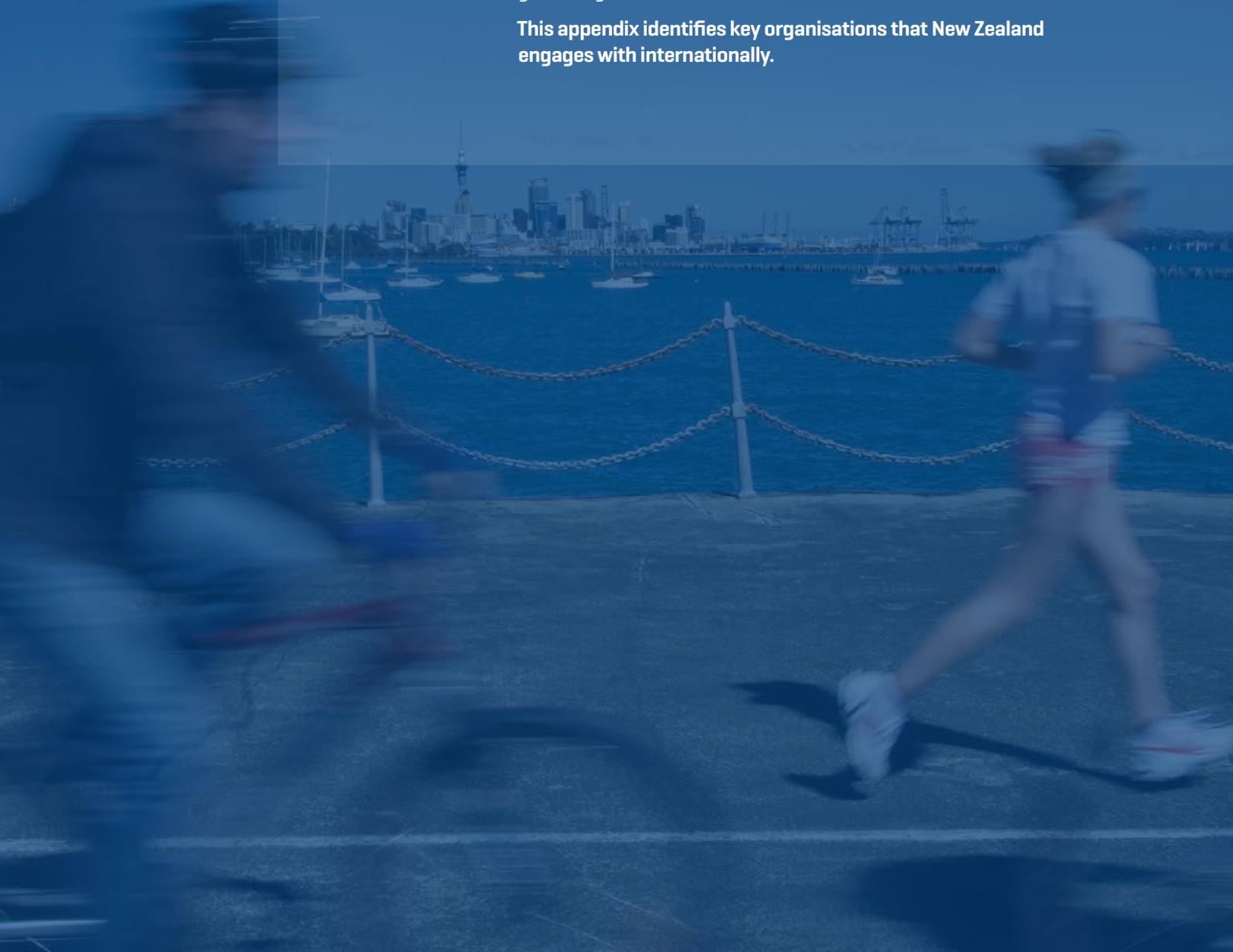


Appendices

Relationships with international organisations

New Zealand is a small, isolated nation and is heavily dependent on global trade. The aviation and maritime sectors in particular are heavily influenced by international standards and recommended practices set by global regulatory bodies such as the International Civil Aviation Organisation (ICAO) and the International Maritime Organization (IMO). It is important that we invest an appropriate amount of effort and resource in influencing regulatory approaches through global organisations.

This appendix identifies key organisations that New Zealand engages with internationally.



International Transport Forum (ITF)

The ITF at the Organisation for Economic Co-operation and Development is an intergovernmental organisation with 59 member countries. It also acts as a strategic think tank for transport policy and organises an annual summit of Ministers. The ITF is governed by a secretariat, with the presidency revolving annually among member countries.

Australian Transport and Infrastructure Council

The Council is an Australian based organisation that brings together Australian federal and state officials/ ministers, and New Zealand Ministers with responsibility for transport and infrastructure issues, as well as the Australian Local Government Association. The Council is part of the wider Council of Australian Governments organisation, which is the peak intergovernmental organisation in Australia. The Council provides New Zealand with an opportunity to gain lessons and advice that assist the development of transport and infrastructure in New Zealand. The Council usually meets twice a year. In advance of the Minister's attendance, the Ministry will provide briefings on any agenda items relevant to New Zealand. The Ministry is also engaged in the Council through its attendance at the officials' level sub-group (Transport and Infrastructure Senior Officials' Committee).

International Civil Aviation Organization (ICAO)

ICAO is a United Nations specialised agency that establishes standards and recommended practices for global aviation. New Zealand is a member of ICAO and participates in meetings that develop international standards and recommended practices and associated guidance material. New Zealand is audited periodically by ICAO to determine how well we (New Zealand Inc.) comply with ICAO's standards and recommended practices, which results in a revised "Level of Effective Implementation" score. Audit findings often include possible recommendations to change statutory settings as well as Rules, and address issues of concern to the Ministry, Civil Aviation Authority and Transport Accident Investigation Committee.

New Zealand has an obligation to comply with ICAO's standards and recommended practices (unless it finds it impracticable to do so). New Zealand has the obligation to notify ICAO of any difference between New Zealand Rules and the international standards and recommended practices. New Zealand's approach is to adopt ICAO standards and recommended practices for both the international and domestic aviation sectors, as major safety risks would be created if different procedures and standards were to apply.

International Maritime Organization (IMO)

IMO is a United Nations agency that sets standards for the safety, security, and environmental performance of international shipping. Its main role is to create a regulatory framework for the shipping industry that is fair and effective, universally adopted and universally implemented.

New Zealand is currently party to 30 IMO treaties [conventions, protocols to conventions, and other instruments] that apply to maritime safety, security, and marine protection matters. New Zealand became a signatory to the International Convention for the Control and Management of Ships' Ballast Water and Sediments in January 2017.

The primary IMO maritime safety convention is the International Convention for the Safety of Life at Sea [SOLAS]. New Zealand, as a signatory to this Convention, has very clear obligations, including being bound to have a comprehensive set of safety and security regulations based on the principles prescribed by them.

New Zealand engages with the IMO in the development of conventions and implements those to which New Zealand is a party. The principal international maritime convention for the protection of the environment is the International Convention for the Prevention of Pollution from Ships [MARPOL], to which New Zealand is a signatory. MARPOL includes regulations aimed at preventing and minimising pollution from ships, both accidental pollution and that from routine operations.

World Meteorological Organization (WMO)

WMO is the United Nations specialised agency for weather, climate, and water. All weather forecasting relies on international cooperation and exchange of data. Through WMO, the world's National Meteorological and Hydrological Services cooperate and exchange data for the maintenance and improvement of global weather observations, meteorological services and research, and contribute to the protection of life, property and the environment, and to sustainable development. As a member state, New Zealand's obligations to WMO – including compliance with WMO requirements and standards – are fulfilled through the Ministry's contract with MetService. The Permanent Representative of New Zealand with WMO is the Chief Executive of MetService.

International Labour Organization (ILO)

ILO is a United Nations agency that brings together governments, employers and workers' representatives of 187 member States, to set labour standards, develop policies and devise programmes promoting decent work. In 2016, New Zealand became party to the Maritime Labour Convention, which entered into force for New Zealand on 9 March 2017. The Maritime Labour Convention supersedes nine conventions to which New Zealand is a party, and that apply to conditions of work and employment on ships.

Asia Pacific Economic Cooperation (APEC)

New Zealand is a member of the Asia Pacific Economic Cooperation [APEC], and of the Transportation Working Group. Transport Ministers meet annually, to discuss current issues and how their economies can work to address them.

The Transportation Working Group of APEC meets biannually to work towards trade liberalisation and facilitation in the transport sector, economic and technical assistance, and capacity building.

World Forum for Harmonization of Vehicle Regulations (WP29)

WP29 is a permanent working party in the institutional framework of the United Nations, of which New Zealand became a member in 2002. It works as a global forum allowing open discussions on motor vehicle regulations. The forum works on regulations covering vehicle safety, environmental protection, energy efficiency and theft-resistance.



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