

in Aotearoa – filling (some) gaps

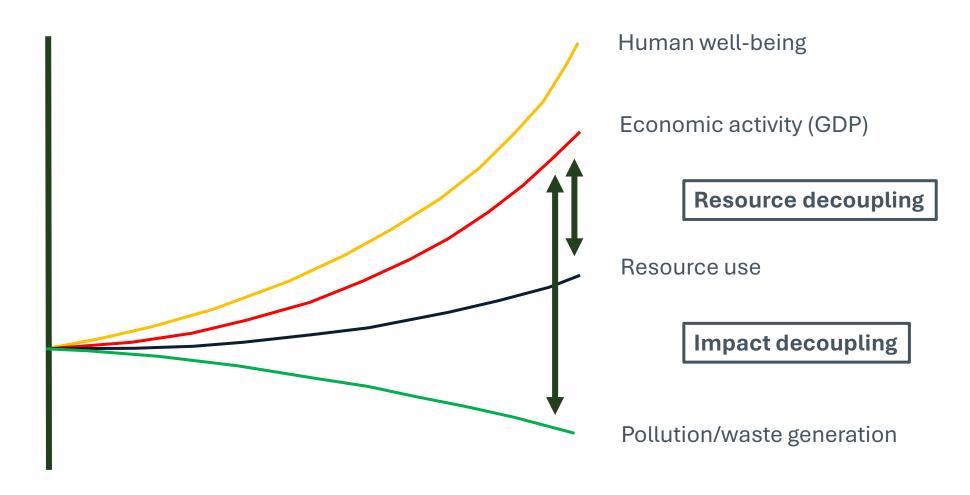


# Plan for today

- 1. Some context and scene setting
- 2. Key insights from our research
- 3. What's next
- 4. Q&A



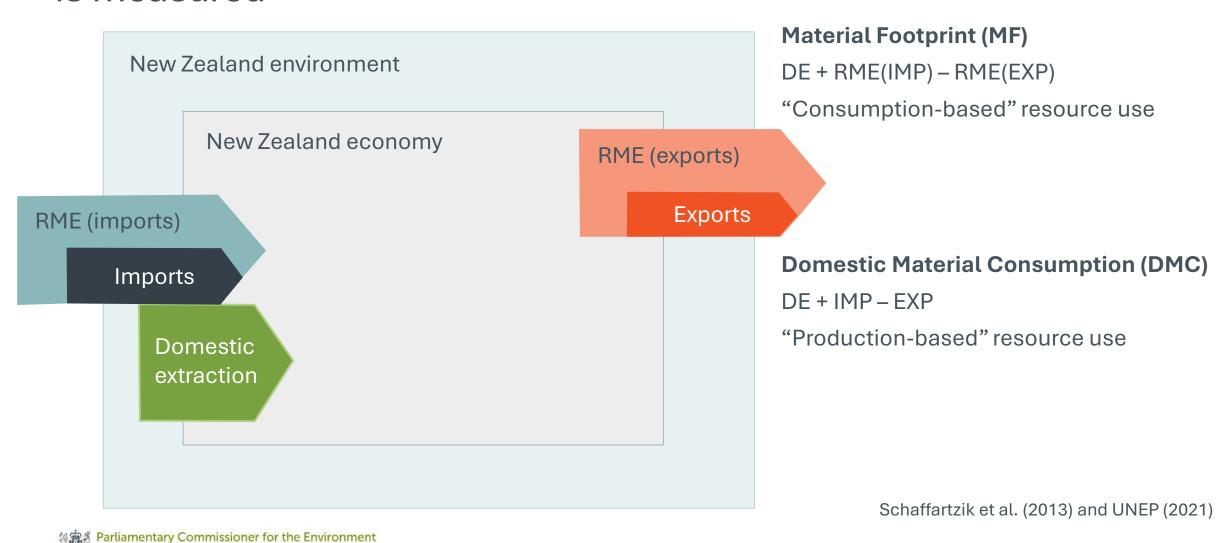
### A starting point: resource use, resource efficiency, decoupling





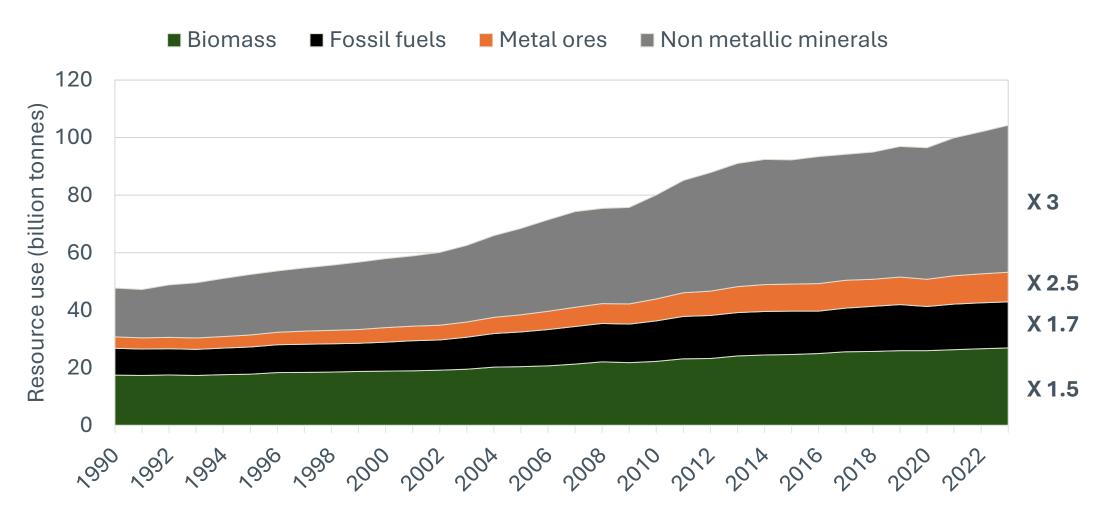
Source: International Resource Panel (2016)

# Conclusions about decoupling depend on how resource use is measured



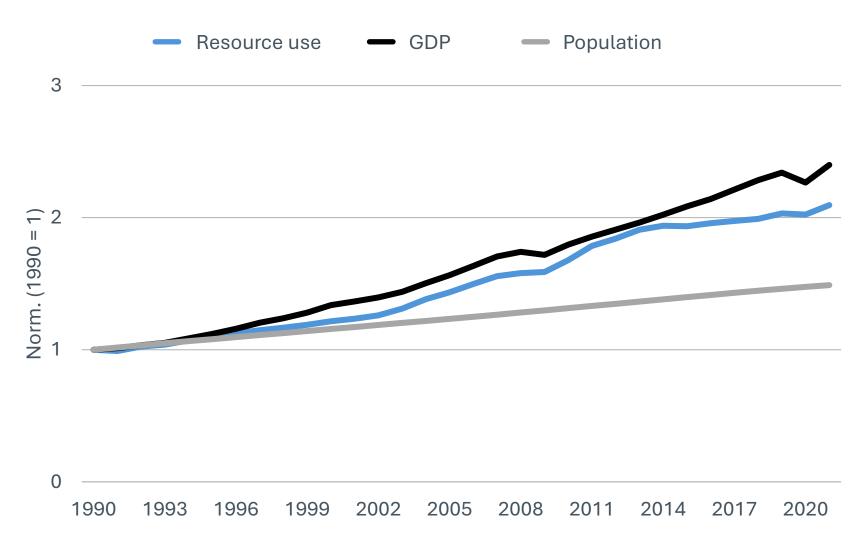
re Kaitiaki Tajao a Te Whare Pāremata

#### Global resource extraction and use: 1990–2023





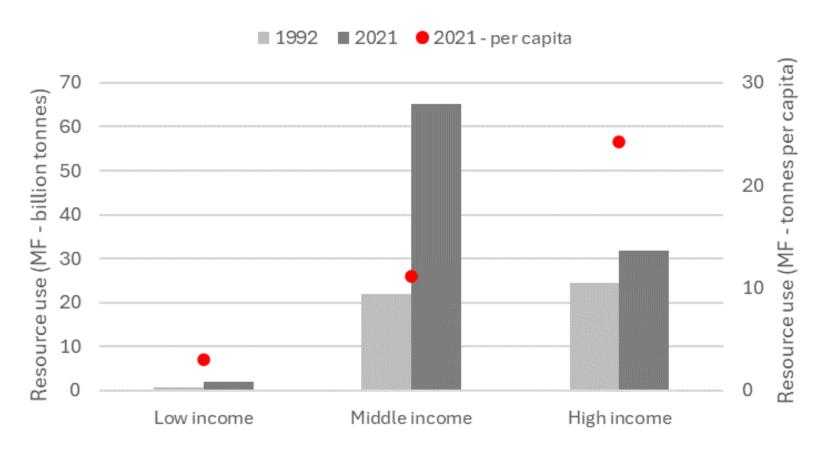
## Limited resource decoupling at the global level





### Most of the growth in natural resource use in emerging economies

Resource use (MF) by income level: 1992 and 2021





### Why does increasing resource use matter?

Increasing extraction and use of natural resources is not really a problem in and of itself, but it does come with risks:

- Resource depletion and/or degradation
- Geopolitical supply risk
- Wastes/residues/pollutants overwhelm assimilative capacity of the environment

There are interactions and feedbacks between each of these risks ...



Resource use and waste generation in Aotearoa New Zealand

A literature review

April 2024

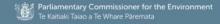




Research note

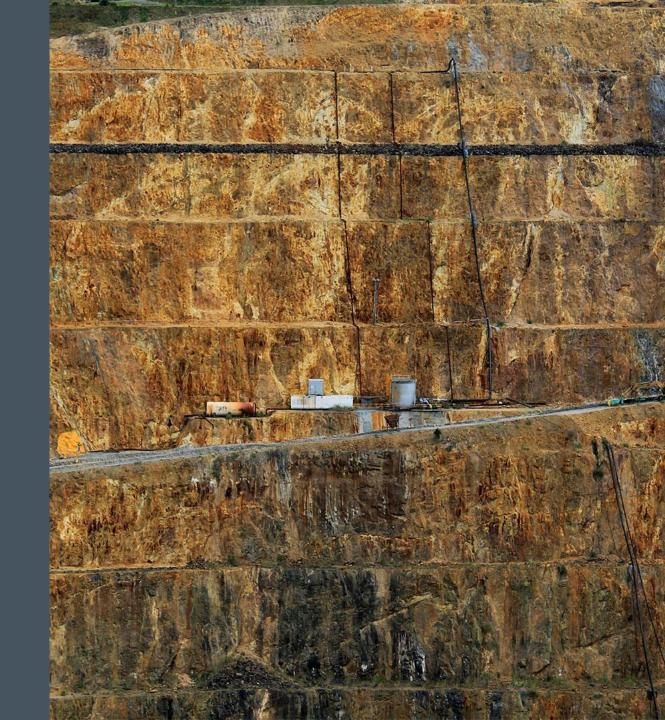
Resource use and waste generation in Aotearoa New Zealand: filling (some) gaps

May 2025

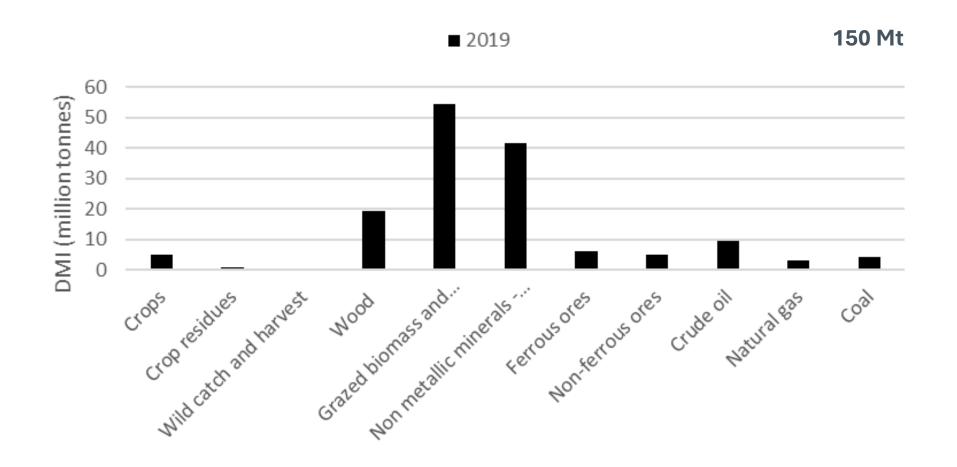


# Insight 1:

The resource requirements of New Zealand's economy are increasing

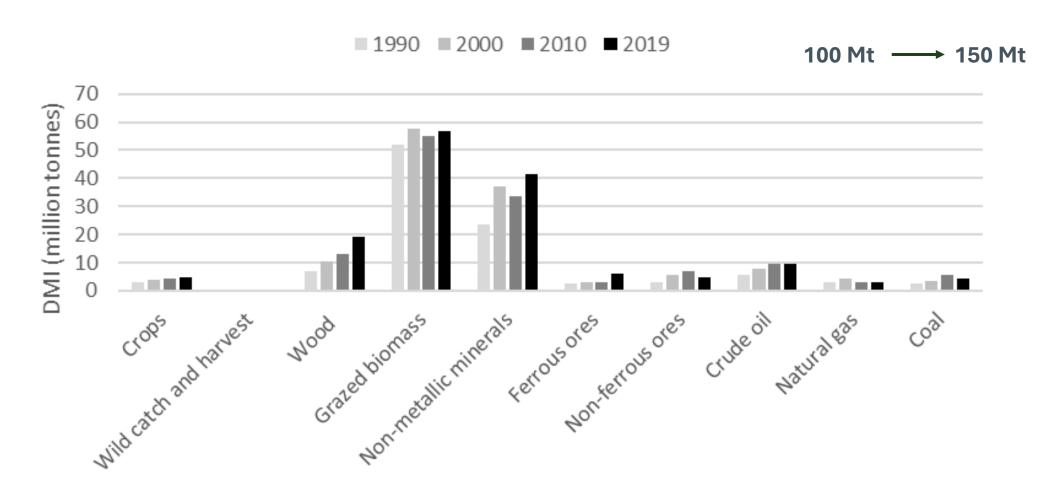


### New Zealand natural resource inputs (DMI) in 2019



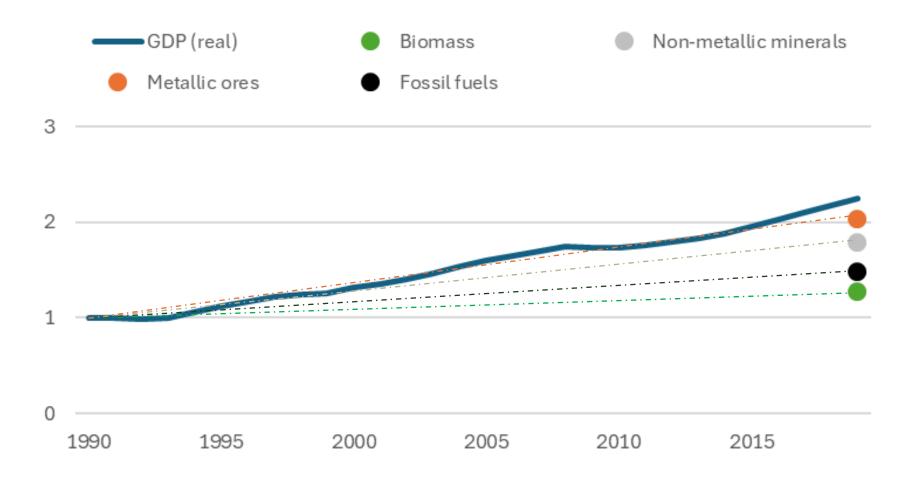


### New Zealand natural resource inputs (DMI): 1990–2019





### New Zealand decoupling: 1990–2019



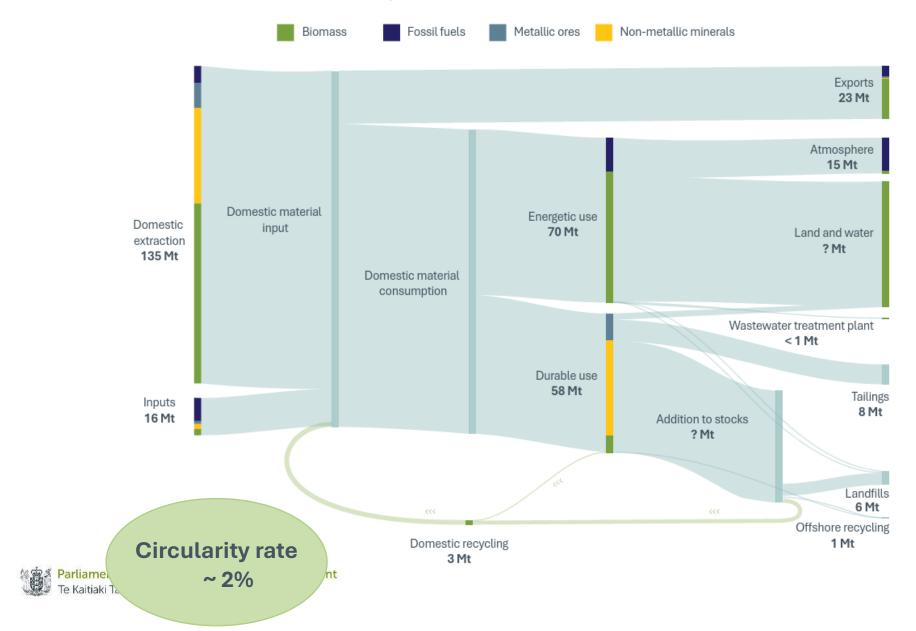


# Insight 2:

New Zealand's economy is far from being circular



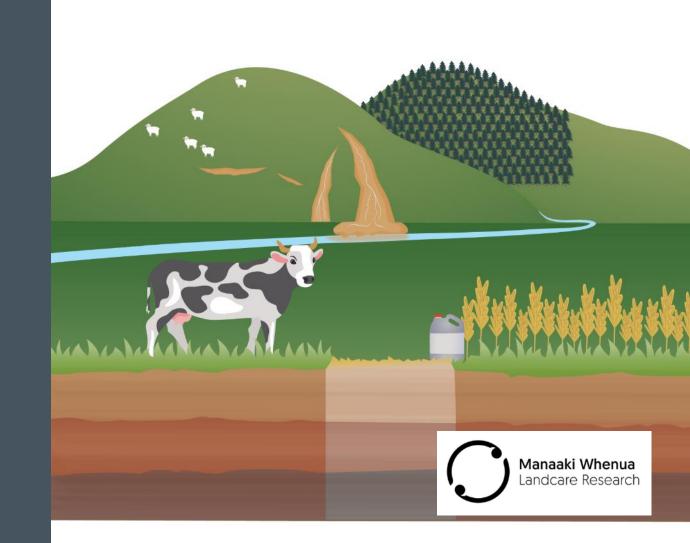
### Material flows through New Zealand economy in 2019



Source: PCE compilation

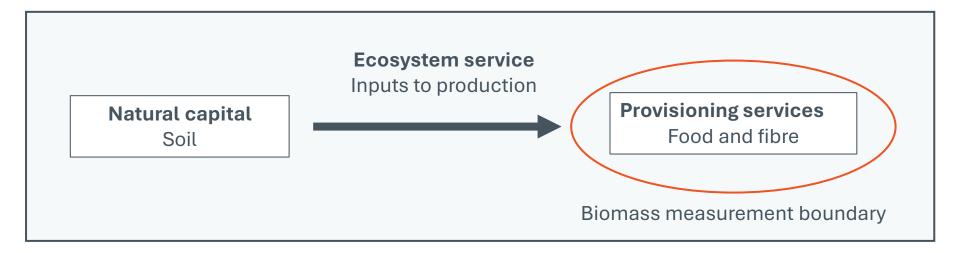
# Insight 3:

Two thirds of our domestic resource extraction relies on soil – and is at risk



# Accounting for New Zealand's soil resources

- Important for New Zealand's biological economy
- Resource accounting boundary does not extend to soil resources



- Review risks to soil resources:
  - Impact of primary sector activities
  - Reversibility
  - Implications for productive capacity



# Different primary sector activities have different impacts

Primary sector activity	Soil impacts
Dairy	Compaction Contamination (zinc and cadmium)
Exotic forestry	Compaction Erosion
Dry stock hill and high country	Erosion
Arable cropping / sort-rotation horticulture	Compaction Loss of soil carbon
Perennial horticulture	Contamination (copper)



# Some of these impacts are reversible. Some are not...

Reversible impacts:	Irreversible impacts:
<ul> <li>Nutrient depletion and pH changes (through fertilizers, lime, compost)</li> </ul>	<ul> <li>Trace element contamination (copper, zinc, cadmium)</li> </ul>
Soil compaction (with management changes - easier in shallow layers)	Soil erosion and loss to waterways
Soil carbon depletion (through organic inputs or plant growth)	<ul> <li>Potentially irreversible changes to soil biological communities</li> </ul>



## Implications for productive capacity

#### **Greatest future risk:**

 Trace element contamination in horticultural and dairy systems.

#### Other risks:

- Compaction and impact on pasture yields.
- Erosion and loss of topsoil layer.

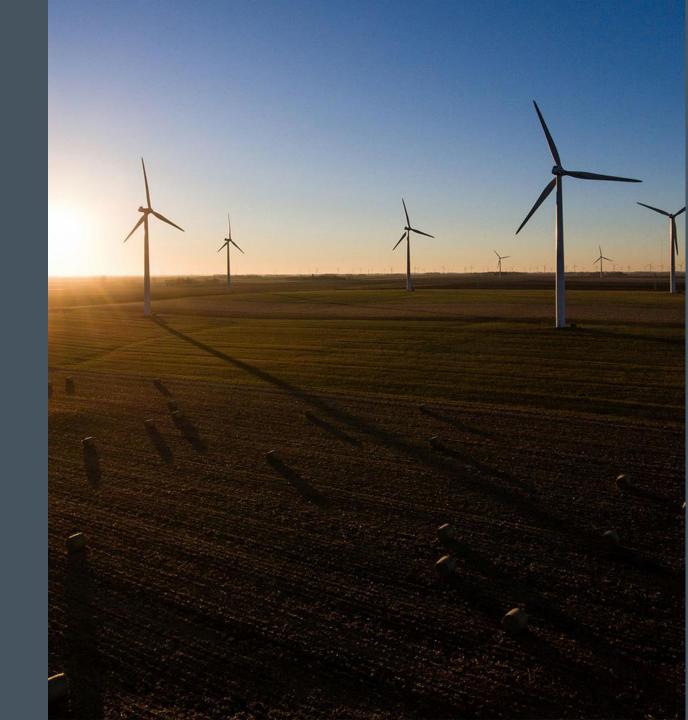
#### Limitations and data gaps in the evidence base:

 Focuses mainly on soil properties, not productive capacity.



# Insight 4:

There are other data gaps and a recommendation



# Data gaps

Data and knowledge gaps relate to water, soil and waste:

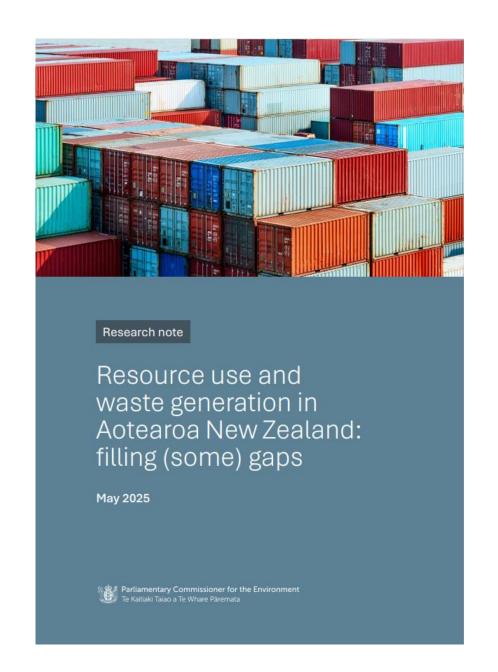
- Domestic extraction of biotic resources
  - Water abstraction
  - Soil (productive capacity, emerging contaminants, biological communities)
- Wastes, residues and pollutants
  - Quantity and composition of certain waste steams
  - Recycling rates



#### A recommendation

"Stats NZ should establish, and regularly update, a national material flows platform."

- Natural capital adjusted productivity measures
- Circularity analysis
- Environmental reporting

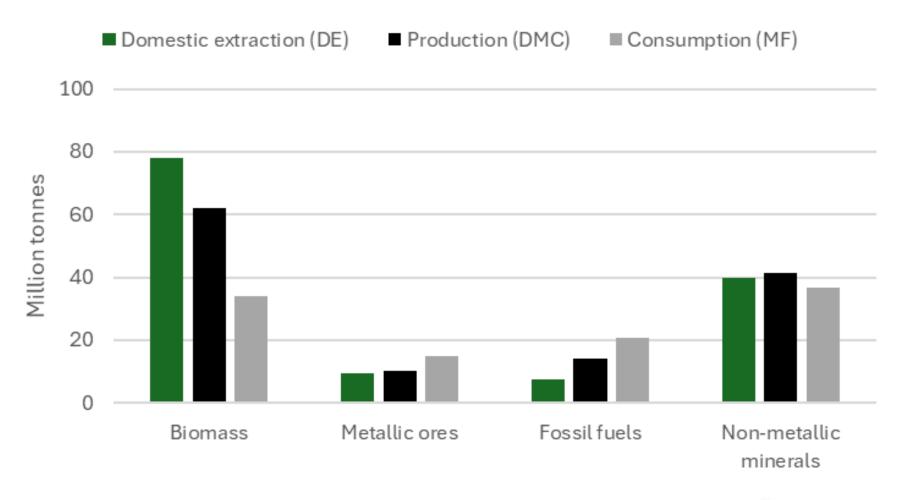


# Insight 5:

Consumption-based analysis tells a different story



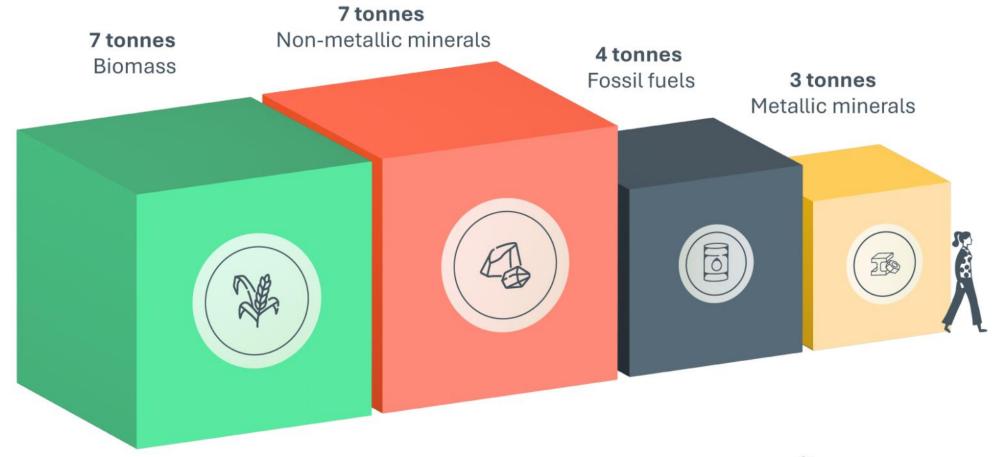
### Production vs consumption-based resource use 2019







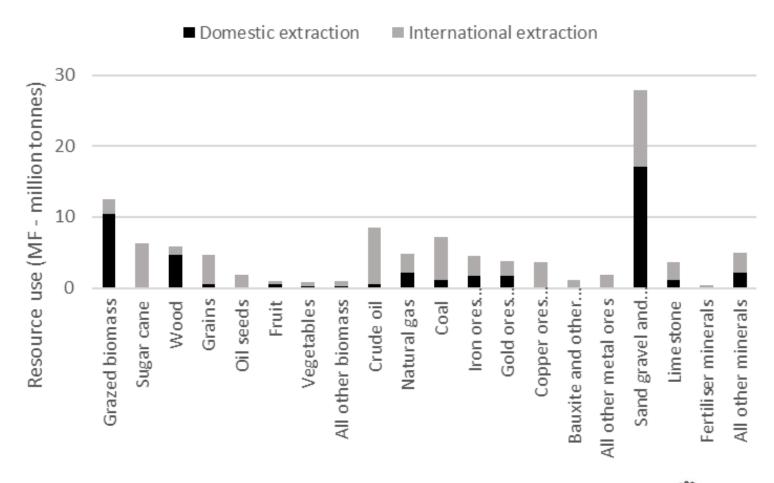
# A 'typical' NZ lifestyle required 21 tonnes of natural resources in 2019







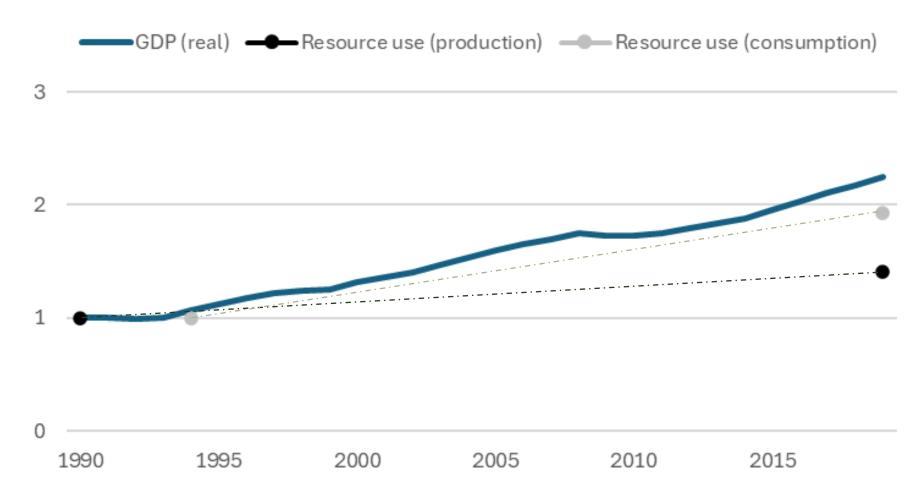
# In 2019, 60% of New Zealand's resource footprint was extracted elsewhere







## New Zealand decoupling: 1990 - 2019



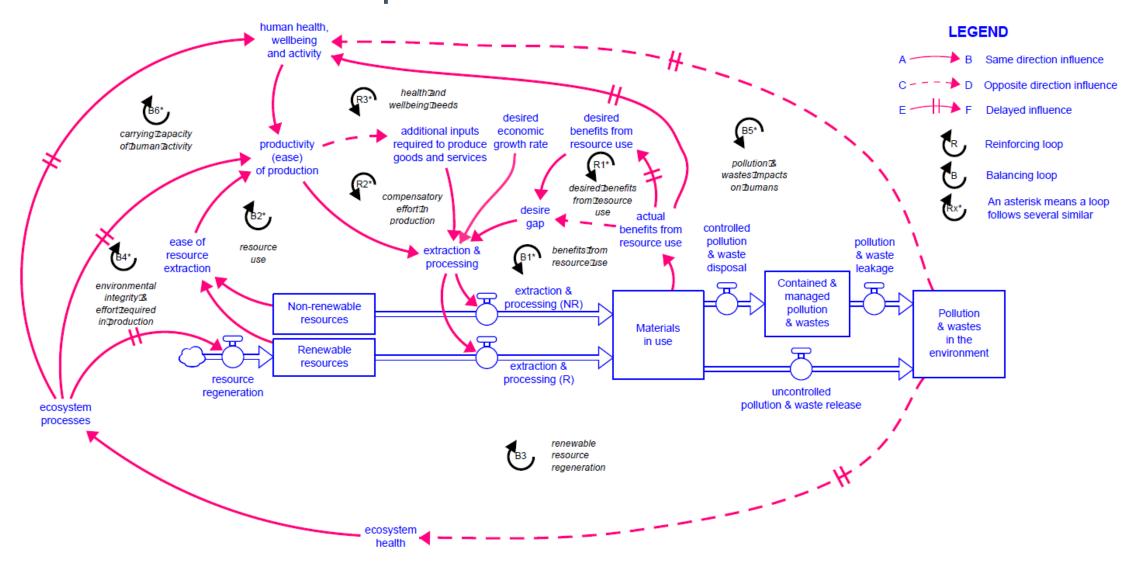


# Insight 6:

Efficiency gains, substitution and pollution storage can help to reduce the impacts of growing resource use. But only so much...



# How do resource use and waste flows translate into environmental pressures?



# Capture and containment

#### **Strategy 1:**

Capturing or containing contaminants before/as they enter the environment:

- Landfill, e.g. containing household waste, also biosolids
- Wastewater treatment plant, e.g. filtering human waste, including hormones
- Carbon capture and storage (CCS), e.g. capture of CO2 from large point-source and then stored in deep geological formation



#### Substitution

#### **Strategy 2:**

Substitution of one resource with another (less polluting/damaging one):

- Invention of the plastic bag in 1965 by a Swedish firm
- Rapidly replaced cloth and paper bags across Europe
- Plastic bag was invented to replace single-use paper bag associated with deforestation in Europe

There are often unexpected consequences of doing well-intentioned things.



# The limits to efficiency gains

#### **Strategy 3:**

Improving efficiency to reduce use:

- Improved efficiency of air-conditioning has made it cheaper to produce A/C units and to run them
- More people buy A/C units and run them for longer
- While individual A/C units use less electricity, the total amount of electricity used to cool buildings has increased



# Other insights

(from material specific research)



Aotearoa New Zealand's renewable energy transition: critical mineral & metals demand

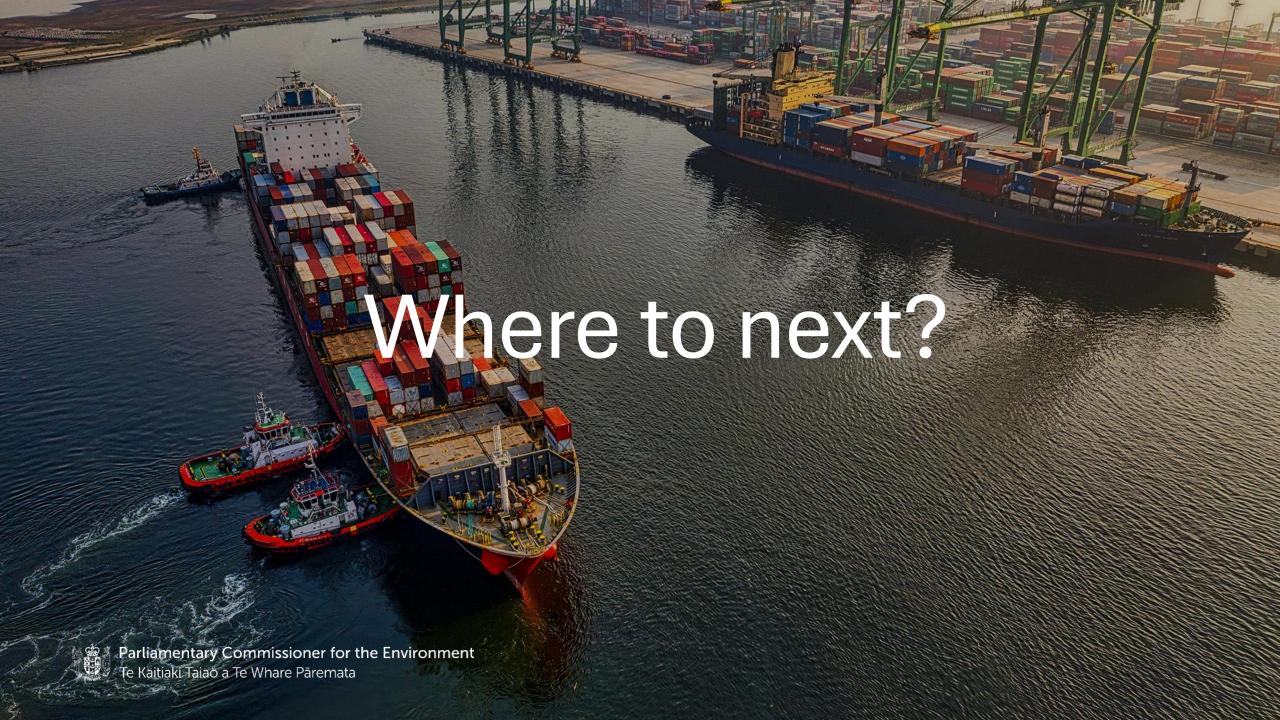
Final Report

Parliamentary Commissioner for the Environment

Reference: 526646 Revision: 0.4 2024-08-23





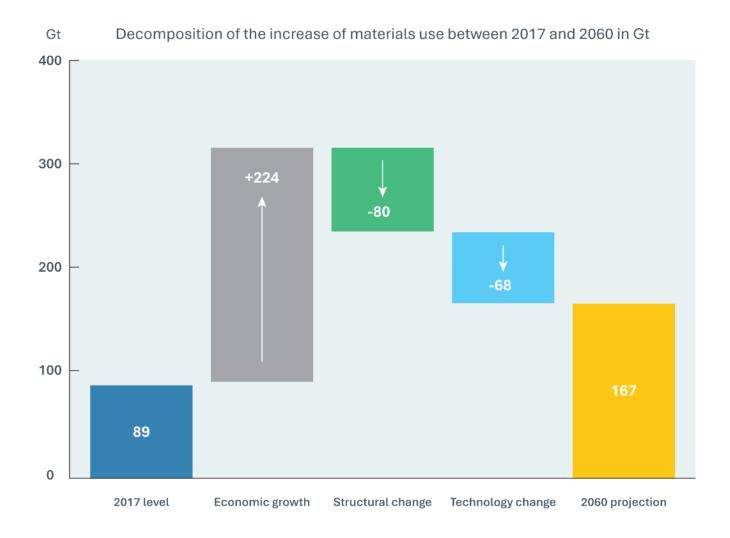


# There are lots of global modelling exercises on the future of natural resource use



Global resource use is expected to increase, mostly due to economic growth... but there is no New Zealand specific result.

Figure 1.2. Structural and technology change is projected to slow down the growth in materials use



We want to fill this gap next through a mix of quantitative modelling plus scenario development.

