



15 April 2019

Hon Dr Megan Woods
Minister of Research, Science and Innovation
Parliament Buildings
Private Bag 18041
Wellington 6160

Dear Minister

Annual Letter of Expectations, 2019

Thank you for your letter of expectation.

We are heartened by your positive comments about Manaaki Whenua's performance and direction and can assure you that our Strategy-22 continues to be well-aligned with Government priorities and your own expectations.

Government Priorities

Manaaki Whenua is well-placed to support the Government's priorities for well-being and the integration of production, sustainability and inclusivity. The natural environment underpins both well-being and our productive economy, and our work focuses on achieving sustainable outcomes.

We have invested over two decades in RS&I capability that integrates social, economic, cultural and environmental themes, and this capability is now much in demand, especially by the National Science Challenges. Our expertise will be valuable in developing national indicators of performance for well-being. We have worked closely (including staff secondment) with MfE and Stats NZ on addressing gaps in the data for New Zealand's Land Environmental Reporting Series, and are very keen to assist further.

Priorities for the Research, Science and Innovation (RS&I) portfolio

Our Strategy-22 has focused efforts on our partners, to achieve impact and create opportunities for new partnerships in the Primary Sector and with Māori businesses. Examples include support for low-carbon economy initiatives in the primary sector and discovery of new land uses and foods from indigenous biota (e.g. fungi) for development by Māori businesses.

Along with the other CRIs we are enhancing our relationship with Callaghan Innovation to make it easier for businesses that invest in R&D to engage with CRIs. This will maximise the benefits accrued from the R&D Tax Credit.

We believe that the CRIs are working well together, an example being the Ministerial report-backs in 2018, and we look forward to discussing with you as to how those reports will be actioned. For our part, we are committed to implementing those actions and achieving change as a result.

Last year's work on those reports and the high levels of collaboration on MBIE Endeavour programmes, proposals and National Science Challenges form a strong platform for the further collaboration that you have requested. Our SCI will indicate collaboration in the fields of:

- *Higher value products from the land* – Manaaki Whenua is working increasingly with the other CRIs and farmers on adding value through credibility and transparency in their environmental performance, and with technologies for water, nutrient and greenhouse gas management and with future uses of Māori-owned land.
- *Freshwater quality* – Manaaki Whenua is a major contributor to the Our Land & Water Challenge, our S-Map database supports the Overseer model for nutrient management and we lead nationally work on soil erosion. We are supporting a popular movement towards regenerative agriculture.
- *Low carbon economy* – we are creating a new research portfolio focused on climate mitigation and adaptation, giving it higher priority and profile. We provide science leadership in both greenhouse gas emissions and soil carbon inventory and management, and our Enviro-Mark Solutions business (through their carboNZero and CEMARS programmes) is a leading enabler of the low-carbon goal. We also working collaboratively with the other CRIs and MFAT on climate action for the Pacific Nations.

CRI Review

We welcome the proposed review of CRIs' collective positioning for the future and will work with MBIE to action the outcomes. Our independent Outcome Advisory (clients) and Science Advisory Panels have since 2011 provided excellent input to the Board and Executive on future trends and science needs. In addition, we plan deep reviews of our science in the coming 18 months.

Priorities for Manaaki Whenua

- *Strategy and Collaboration*

There is a significant momentum behind our Strategy-22 in its second year of five and we look forward to reporting to you on major outcomes. Collaboration and partnership are cornerstones of our strategy and culture. We are focused on partnership with complementary skill-sets in the private sector and to achieve good alignment with the Natural Resources Sector. Together with the other CRIs, we are focused on partnership with international institutes to enhance access to new technologies and for talent development.

- *Property*

Our Lincoln re-development is going to plan and we will be calling for construction tenders in April. We welcome your support to progress the Biosecurity Hub concept for the Mt Albert campus in partnership with Plant & Food Research, ESR and MPI. This major hub concept has the potential to serve also as a Science in the City Hub and a Pacific Science Hub. We will explore alternative investment models that can maximise the outcome from such a development.

Finance and Investment

Our major capex investments are the Lincoln re-development and the potential Auckland re-location. We are regularly reviewing our business model to find pathways to increasing the impact of our science. This process may lead to investment proposals, which we will discuss with your officials in a timely fashion. Underpinning our concepts is a system-wide view of our role as Manaaki Whenua.

Employment and workplace

We are mindful of the Government's overarching policies and our Good Employer obligations as we negotiate employment agreements.

We have well-established initiatives on well-being and we are committed to the report-back actions on 'Workforce' that include diversity and inclusion and the 'future of work'.

Māori engagement

Manaaki Whenua was the first CRI to implement a Tier 2 management role (as opposed to advisory role) for Māori and we are pleased to see that all CRIs now have such a role.

Our engagement with Māori is both internal (our culture, practices and competencies) and external (how we engage, our partnerships and linking science with Mātauranga Māori). We are working on both dimensions. Among over 120 links to Māori entities in our regular work we are clear on the priorities, which include, for example, TPK's Māori Land Use and innovative primary production entities such as PKW and Wakatu.

As signalled in the report-back, we will work with the other CRIs, universities, wānanga and the Ministry of Education to help schools bring more Māori into science.

Governance and Management

We commissioned an in-depth, independent governance review in 2018, sharing the results with the Treasury and MBIE, and we plan an interim, internal review during the current financial year.

I extend a warm invitation to you to visit any of our sites to engage with our passionate and professional people and their remarkable work. I also look forward to continuing the valuable discussions that the CRI Chairs have developed with you.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Jane Taylor', written in a cursive style.

Jane Taylor
Board Chair