

**Submission on
A Mineral and Petroleum Resources Strategy for Aotearoa
New Zealand: 2019-2029**

Oil Free Wellington

Background on Oil Free Wellington: Oil Free Wellington is a community group based in Wellington which works for climate justice, seeking fair ways of dealing with climate change which also address the underlying causes of the problem.

Thank you for the opportunity to provide feedback on the draft Resources Strategy. However, we want to point out that the way this process has been run, and the way the consultation document is set out, means that it is a large inaccessible process for many people. As such, we worry that the process is not one where large amounts of public input are desired.

We have engaged as thoroughly as we were able to with the consultation document and layout. We consider that the focus of this document seems to be on keeping the fossil fuels industry alive for as long as possible. This is the fundamental focus which needs to shift.

Our comments are as follows:

Why we need a strategy

We need a strategy because we are in a moment in history where New Zealand society must transition in response to climate change.

However, we need a strategy which reflects the urgency of climate change and the other crises we face. We have a *little over a decade* according to the IPCC 1.5C report to make rapid reductions in global emissions before we surpass the 1.5C warming limit set at the Paris climate summit, with catastrophic social, economic and environmental consequences. Climate research indicates if we are to reduce emissions in time to stay within the 1.5C limit, we cannot burn most of known reserves let alone explore for more.

The effects of this will grossly affect those who are already poor and marginalised in our society, despite their contributing the least to the problem.

This Strategy should be a plan for a just/fair phase out of all fossil fuel exploration and extraction within a decade. However, the current draft doesn't do this. In fact the plan seems to lock in emissions for up to fifty years. This can be seen when it acknowledges that production through fossil fuel mining can last for fifty years and the same is roughly true for power stations. This

makes the government's task of reaching net zero emissions by 2050 look next to impossible. The solution is to phase out this inherently destructive business.

Low Carbon Economy

New Zealand is not on track to meet its Paris commitments. This strategy should be changed to end all fossil fuel production by 2030 and all exploration now.

This would strengthen existing government initiatives to reduce the country's reliance on fossil fuels.

Growing a Productive, Sustainable and Inclusive Economy

We should be concerned not about our economy but about our society. An inclusive society should not include fossil fuel companies. These companies have aggressively campaigned against meaningful action on climate change for decades. They are no longer entitled to participate in these discussions.

They have had their chance and proven that they put profit over the wellbeing of people.

This strategy should be focused on ending fossil fuel exploration and production while transitioning communities which are currently reliant on these businesses to sustainable and fairer ways of making a living.

On a finite planet with finite resources and planetary boundaries infinite growth is impossible. As such the focus should be on a just transition rather than 'growing' an already unsustainable and unfair economy.

In addition this report seems to buy into a myth being perpetuated by the oil and gas industry, that gas is a "transition fuel." By the report's own assertion, further gas production would lock in use for up to fifty years. The gas bridge fuel argument has been widely debunked in expert commentaries and international studies.¹ Scientific evidence indicates that when CO₂ and methane leakage from gas exploration and production are taken into account, gas is no more climate friendly than coal. That's why the petroleum industry has put so much stock in advocating for government support and regulation of carbon capture and storage (CCS), even though it is as yet unproven and unscalable. More gas simply won't get us where we need to go. For a short-term fix, betting on gas will commit us to decades of continuing GHG emissions, costly new infrastructure, environmental risks and rig decommissioning liabilities.

Social responsibility

¹ E.g. Lorne Stockman and Greg Muttitt, 2018. *Gas is not a Bridge Fuel: Why Ireland's Climate Goals Cannot be Met with More Gas*. Oil Change International, July. Lorne Stockman, Kelly Trout and Barb Blumenthal, 2019. *Burning the Gas 'Bridge Fuel' Myth: Why Gas is not Clean, Cheap or Necessary*. Oil Change International, May. Michael Lynch, 2017. 'The Myth of Natural Gas as a Bridging Fuel.' *Forbes Magazine*, 14 August. Financial Review (Australia), 2019. 'Research shows LNG bigger climate change threat than coal,' 2 July. Fossil Fuels Aotearoa Research Network, 2018. *Why Natural Gas isn't a Bridge Fuel to a Low Emissions Economy*. May. Rod Oram, 2018. 'Earlier is better for climate change action.' *Newsroom*, 8 April. Rod Oram, 2019. 'All gassed up: shedding light on the gas sector's claims.' *Newsroom.pro*, 20 April.

To exercise real social responsibility, the minerals and petroleum sector needs give back to the societies which it has taken from. There needs to be a planned, 'careful,' just but accelerated phase out of fossil fuel production by 2030.

While no further Government resources (including subsidies or other support) should be committed to fossil fuels exploration, mining or promotion there should be a parallel programme of accelerated investment in alternative energy technology and renewables infrastructure. This should involve a redistribution of the wealth gathered by the minerals and petroleum sector back to the communities it has operated in to help with such a transition as local councils, communities and iwi will be in the best position to know how this will work in their areas.

Purpose statement and vision

The purpose statement is troubling. For instance, it is stated that "Minerals and petroleum will continue to generate royalties and taxes for the foreseeable future." This directly contradicts statements such as those by the Prime Minister, "fossil fuels are not part of New Zealand's future."

We cannot have, "a world-leading minerals and petroleum sector that delivers value for New Zealanders, both now and in the future, in an environmentally and socially responsible way."

The petroleum industry should no longer be welcome here and needs to be phased out over the next decade.

How can New Zealand sustainably derive value from its petroleum and minerals resources?

New Zealand cannot "sustainably derive value from its petroleum and minerals resources" The best 'value' from an economic, social and environmental perspective will be derived from a purposeful, measured phase-out of fossil fuels extraction.

The petroleum industry cannot, "support a productive, sustainable and inclusive economy (b) Support New Zealand's transition to a carbon neutral economy".

It has so far only worked to prevent such a transition. The best way it can support such a transition is by the petroleum sector no longer existing.

Treaty Partnership

The Crown does need to honour its obligations under te Tiriti of Waitangi but this goes much further than has been discussed under this strategy.

A huge amount of oil and gas extraction in Taranaki, for example, is taking place on confiscated land. Genuine Maori control of Maori land and resources is not done through consultation.

Action Areas

Action Area: Modernise the Crown Minerals Act

The Crown Minerals Act needs to include the effects of a project and resource extraction/production on climate change as part of a basis for any decision making. If we are going to reach net zero emissions by 2050 this needs to happen.

There also needs to be recognition of Treaty rights and protection of biodiversity. The impacts of any project needs to be considered broadly beyond just the simple economic returns. We need to consider the impact on treaty rights along with climate change, and biodiversity.

Action Area: Phase out fossil fuel exploration and production

The government has committed to net zero emissions by 2050 and has embarked on a just transition that includes banning new offshore oil and gas exploration and phasing out reliance on fossil fuels for energy production.

The Prime Minister has stated that fossil fuels (coal, oil and gas) are not part of New Zealand's future. In addition to this the exploration and production of coal, oil and gas must be phased out by the end of the decade.

PEPANZ has estimated that if the Minister were to adopt a strict interpretation of Section 35a of the CMA and refuse further work programme extensions, all thirty existing exploration permits could be dropped by 2022 and few onshore permits would remain by 2035.²

This would be great, and an important way of New Zealand playing its part in mitigating climate change.

The following needs to happen and be structured into the Resource Strategy

- Future bidding rounds for on-shore Taranaki exploration permits will be cancelled.
- From the commencement of this Strategy, in accordance with Section 35A of the CMA 1991 no further extensions will be granted to existing exploration permits (work plans).
- No taxpayer funding will be available for infrastructure development or tax incentives in the unlikely case of a new discovery.
- All existing coal mine permits, including mines on Conservation land, will be reviewed and phase-out plans negotiated with their owners.

² Offshore exploration permits could end by the end of 2021: Energy Voices [PEPANZ] blog 7 November 2018 'What does 100,000 sq kms to explore really mean?'