

Carbon Neutral New Zealand Trust

**Submission on the Ministry of Business, Innovation & Employment's "Responsibly Delivering Value: A Minerals and Petroleum Resource Strategy for Aotearoa New Zealand 2019 – 2029" August 2019**

The above document fails to deliver on its promise to "responsibly deliver value" to New Zealand from all perspectives – economic, social, environmental and cultural. It is really a whitewash for the mineral and petroleum industries and fails to align with stated Government priorities with regards to such issues as climate change, freshwater and marine management.

The strategy document sends the wrong message to the minerals and petroleum sectors. It implies that 'business as usual' can continue with some tweaking around the fringes. This is simply not the case if the nation is to fulfil its commitments under the Paris Climate Change Accord and to clean-up its rivers and freshwater sources, protect marine life and prevent further biodiversity loss.

The strategy document should be explicit that we need to phase out both the extraction and burning of all fossil fuels - coal, oil and gas.

In addition, the strategy should be aiming to reduce fossil fuels use by 50% by 2025 and to zero by 2030. It is crucial to get this right otherwise effective climate action, freshwater management and marine protection become a whole lot harder.

At minimum the draft strategy must be consistent with Government's policy on climate change namely to achieve zero carbon by 2050.

The belief, prevalent throughout the report, that New Zealand, and the global community, can continue mining and burning of fossil fuels for many decades is ecocide and our children do not deserve to be used as pawns to achieve so-called "future prosperity" based on the notion that "...economic growth need not be at the expense of the environment" (Megan Woods) and that no behavioural change will be necessary.

It is disheartening that the section of the report titled "Minerals and Petroleum Sector Snapshot" only lists economic benefits. No attempt is made to balance the benefits with the costs of the sector that are externalised to the general public such as land destruction, sediment runoff, water contamination, damage to rivers, lakes and freshwater supplies resulting from mining. Neither are the costs of air, marine and waste pollution associated with the burning of fossil fuels considered nor is the cost to the nation of continuing to use fossil fuels that will result in New Zealand needing to buy carbon credits to meet its international obligations under the Paris accord.

The report if it is to have any credibility needs to address these issues.

We support the Strategy's overarching aims to transition to a low carbon economy, to grow a productive, sustainable and inclusive economy and to achieve social responsibility but consider that a number of the Principles need to be strengthened in particular:

Principle 1 – replace the word “respected” with the word “protected”

Principle 2 – add the word “protected”

Principle 8 – add the proviso “that must be produced in a way that protects the climate and the environment”

Principle 10 – delete for the petroleum sector as this will prevent the transition to a zero carbon society within the timeframe of 2050. For the minerals sector make the principle dependent upon proof of minimal environmental impact.

Principle 11 – needs to align with the Paris Accord.

Addition Principle – the Crown will regulate the sector to ensure it meets the expectations of the New Zealand public in regards firstly to natural capital requirements and secondly to human, social and financial capitals.

We suggest that a timeframe for the phasing out of fossil fuels extraction and burning needs to be stated in the document. An end date should be set for all fossil fuel extraction on land and sea including fracking for oil and gas. No new coal mines or oil or gas wells should be allowed. In areas where it is essential that fossil fuels remain available; such as coking coal for steel making specific review dates should be stated.

We are concerned that gas is mentioned as a sustainable bridge to a low carbon economy. Whilst its carbon dioxide emissions are less than coal (between 40 to 50%) it also leaks methane (the main component of natural gas) from all parts of its production and use cycle resulting in its supposedly warming benefits being negated at a 3 per cent leakage rate. Substitutes for gas in methanol and fertiliser production are available. Gas needs to be phased out in line with other fossil fuels.

With respect to the Action Areas in the report we comment as follows:

- Area 1. Agree with Modernising the Crown Minerals Act
- Area 2. Agree in principle provided fossil fuel use is phased out.
- Area 3. Agree.

Area 4. Agreed provided the engagement is genuine and not window dressing. The minerals and petroleum sector has a poor track record in relationship to the environment, social and human needs and the public has a low level of trust in the industry which seems to put profit over all other concerns.

Area 5. Agree in principle but the compliance aspects need to be strengthened and enforced.

Area 6. Agree.

1. Gas is NOT a sustainable bridge to a low carbon (let alone zero carbon) economy. It's carbon dioxide emissions are more like 60% of coal rather than the 50% often quoted by industry, and we have to add to that significant methane releases from all parts of the production and use cycle. **(They know this!)** Particularly, any new gas wells or infrastructure will be used for decades and take us backwards from the zero carbon future. It should be phased out in the same way as coal and oil.
2. The Strategy should set a timeframe for the phase out of fossil fuels, starting with no new coal mines or oil and gas wells, and protecting essential uses of these fuels (eg steel making) for as long as possible, while closing down uses for which there are good substitutes, like electricity generation, promptly.
3. There is lip service paid to a circular economy, which is good, but no steps to take to start the difficult journey to get there. This needs a strategy on its own.
4. The Strategy proposes "balancing impacts across all 4 capitals". This is not OK! Climate and environmental protection must take precedence over revenue to the Crown, for example.