



## COVERSHEET

<b>Minister</b>	Hon Dr Megan Woods	<b>Portfolio</b>	Energy and Resources
<b>Title of Cabinet paper</b>	Crown Minerals Act 1991 Review: Enabling flexibility in the management of Crown-owned minerals, improving engagement with hapū and iwi, and clarification amendments	<b>Date to be published</b>	24 November 2022

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
June 2022	Crown Minerals Act 1991 Review: Enabling flexibility in the management of Crown-owned minerals, improving engagement with hapū and iwi, and clarification amendments	Office of the Minister of Energy and Resources
4 July 2022	CAB-22-MIN-0256 Minute	Cabinet Office
21 June 2022	Regulatory Impact Statement: Enabling flexibility in the management of Crown minerals development under the Crown Minerals Act 1991	Ministry of Business, Innovation and Employment
21 June 2022	Regulatory Impact Statement: Improving permit/licence holder and permit applicant engagement with hapū and iwi under the Crown Minerals Act 1991	Ministry of Business, Innovation and Employment

### Information redacted

**YES**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of constitutional conventions, legal professional privilege, free and frank opinions, confidential information entrusted to the Government and confidentiality.

## In Confidence

Office of the Minister of Energy and Resources  
Cabinet Economic Development Committee

# **Crown Minerals Act 1991 Review: Enabling flexibility in the management of Crown-owned minerals, improving engagement with hapū and iwi, and clarification amendments**

## Proposal


- 1 This paper seeks agreement to amend the Crown Minerals Act 1991 in order to:
  - 1.1 enable a more flexible approach to the management and allocation of rights to Crown-owned minerals, including increasing discretion as to the timing and frequency of future block offers for allocating petroleum exploration permits in onshore Taranaki;
  - 1.2 improve permit/licence holder and permit applicant engagement with hapū and iwi; and
  - 1.3 clarify decommissioning-related provisions.
- 2 In order to give effect to these proposals, this paper also seeks agreement to issue drafting instructions to the Parliamentary Counsel Office.

## Relation to government priorities

- 3 We have set a low emissions target for 2050, a target for 100 percent renewable electricity by 2030, and there will be no further offshore petroleum exploration permits in New Zealand. The proposals in this paper will lead to increased flexibility in the management of Crown-owned minerals development and ensure the sector can contribute to a more productive, sustainable and inclusive economy.
- 4 The proposals are also part of the Government's wider work programme under the 10-year Resource Strategy '*Responsibly Delivering Value – A Minerals and Petroleum Resource Strategy for Aotearoa New Zealand: 2019-2029*' (the Resource Strategy). The Resource Strategy is designed to drive a shift towards a 'world leading environmentally and socially responsible petroleum and minerals sector that delivers affordable and secure resources, for the benefit of current and future New Zealanders'. It sets out the following principles to guide the Crown, industry, and the public:
  - 4.1 The environment, ecosystems, and biodiversity are respected now and in the long term.

- 4.2 Māori cultural interests are understood and respected.
- 4.3 Support the transition to a carbon neutral economy by 2050.
- 4.4 The impact on people, communities and regions are managed in a just and inclusive way.
- 4.5 Support a circular economy by meeting resource needs through resource efficiency, recycling and reuse.
- 4.6 Actions taken within the minerals and petroleum sector should align with the strategic direction of other related sectors and Government strategies.

### Executive Summary

- 5 This Government commenced a two-part Review of the Crown Minerals Act 1991 (CMA) in 2018. Tranche One gave effect to the policy to end future offshore petroleum exploration and confine any future onshore development to the Taranaki region only. Tranche Two was intended to be wider in scope, examining the changes needed to enable New Zealand's petroleum and mineral resources sector's contribution to a productive, sustainable and inclusive economy. The Ministry of Business, Innovation and Employment (MBIE) consulted on proposals under Tranche Two in 2019/20.
- 6 In November 2020, I agreed to conclude Tranche Two by making incremental changes designed to align the CMA with wider Government policy while maintaining its current role, **Constitutional conventions**  

- 7 Amendments relating to the obligation on petroleum permit and licence holders to fund and carry out decommissioning were progressed separately through the Crown Minerals (Decommissioning and Other Matters) Amendment Act 2021.
- 8 The proposals in this paper arise from two aspects of the CMA Tranche Two Review:
  - 8.1 Addressing the promotional purpose of the CMA and how the Crown manages and allocates rights to petroleum and minerals, in light of changing Government priorities; and
  - 8.2 Iwi engagement and involvement in Crown-owned minerals.
- 9 The proposals also seek to clarify and make consistent the permit grant, transfer, and change tests in relation to decommissioning obligations.

*The promotional purpose of the CMA*

- 10 In 2013, the CMA was amended to explicitly promote the prospecting for, exploration for, and mining of Crown-owned minerals for the benefit of New Zealand. It reflected Government priorities at the time to increase investment in New Zealand's resources sector.
- 11 Since 2013, the strategic and wider regulatory environment in which the CMA operates has changed. The 2019 Resource Strategy envisions a minerals and petroleum sector that enables a productive, sustainable and inclusive economy; one that delivers affordable and secure resources, for the benefit of current and future New Zealanders. New Zealand has made international commitments to contribute to the global effort to limit global warming to 1.5 degrees Celsius above pre-industrial levels, and decision-making increasingly adopts a wider wellbeing lens that incorporates environmental, social and cultural considerations alongside economic considerations.
- 12 The CMA in its current form does not enable flexibility in the choices available to the Crown as resource owner. It also potentially sits in tension with changes in the wider regulatory environment.
- 13 I propose amending the purpose statement and associated provisions in the CMA to provide for more discretion as to how the Crown manages and allocates rights to petroleum and minerals for the benefit of New Zealand and New Zealanders. The proposals are intended to provide increased flexibility in decision making to accommodate changes to policy objectives in an enduring way. They will also have the intended effect of increasing flexibility in relation to when and how often future public tenders for petroleum exploration permits take place.

*Iwi engagement and involvement (permit/licence holder and permit applicant engagement with Māori)*

- 14 Feedback from hapū and iwi is that engagement with permit/licence holders and permit applicants is variable. Engagement is not always prioritised, the quality of engagement is variable, and there can be a lack of transparency when sharing information. The current approach to permit/licence holder and permit applicant engagement is largely voluntary, and expectations for good engagement can be unclear. Where relationships are poor, potential benefits resulting from positive relationships are foregone.
- 15 I therefore propose to create more certainty around engagement expectations and potential consequences for poor engagement under the CMA. I propose requiring, as part of certain application types, the provision of contact information to be passed on to hapū and iwi; introducing minimum content requirements for iwi engagement reports; providing affected hapū and iwi with opportunities to review such reports; and making it explicit that decision-makers under the CMA may have regard to feedback from hapū and iwi on past permit/licence holder engagement when making permit allocation decisions.

*Clarifying permit grant, transfer and change provisions*

- 16 The Crown Minerals (Decommissioning and Other Matters) Amendment Act 2021 introduced changes to strengthen the decision-making tests for permit grant, transfer and change provisions in order to reduce the likelihood of companies gaining permits in New Zealand that do not have the financial capability to undertake and fund decommissioning.
- 17 For the avoidance of any ambiguity, I propose changes to clarify and make consistent the CMA's various permit grant, transfer and change provisions to ensure that assessments can be carried out not just in relation to compliance with work programmes and permit conditions, but also in relation to the decommissioning-related obligations in the CMA.

**Background**

- 18 In July 2018, Cabinet agreed to a two-part review of the Crown Minerals Act 1991 (CMA) [CAB-18-MIN-0306]. Tranche One gave effect to the Government's new policy to limit the area available for future petroleum exploration permits to onshore Taranaki only, and to allow onshore block offers to run until 2020. As a result, the CMA was amended via the Crown Minerals (Petroleum) Amendment Act 2018.
- 19 In June 2019, Cabinet agreed to the Terms of Reference for Tranche Two of the CMA review [DEV-19-MIN-0120]. It was intended as a wide-ranging review to consider factors needed to enable New Zealand's petroleum and mineral resources sector's contribution to a productive, sustainable and inclusive economy.
- 20 Between November 2019 and January 2020, the Ministry of Business, Innovation and Employment (MBIE) publicly consulted on proposals under Tranche Two. MBIE received 167 submissions from iwi, industry and non-governmental stakeholders.
- 21 In June 2020, Cabinet agreed to progress proposals on liability and financial assurance, and compliance tools ahead of other proposals under Tranche Two [DEV-20-MIN-0092]. The Crown Minerals (Decommissioning and Other Matters) Amendment Act 2021 strengthened the CMA's provisions to help mitigate the risk to the Crown and other third parties of potentially having to undertake and fund decommissioning in the future, and to expand its current enforcement toolbox.
- 22 In November 2020, I agreed to conclude Tranche Two of the review by making incremental changes designed to align the CMA with wider Government policy while maintaining its current role. Constitutional conventions  
[REDACTED]
- 23 Constitutional conventions  
[REDACTED]

Constitutional conventions

**I propose to amend the Crown Minerals Act 1991 to make neutral its promotional intent**

*The CMA's promotional purpose was introduced in 2013*

- 24 The CMA was amended in 2013 to reflect the policy at the time to attract investment in New Zealand's petroleum and minerals sector. Among other changes, the amendments introduced a purpose statement into the CMA for the first time, to "promote prospecting for, exploration for, and mining of Crown owned minerals for the benefit of New Zealand." The amendments also added to the Minister of Energy and Resources' functions to attract permit applications, including by way of public tender.
- 25 The minerals programmes, which interpret the CMA, were also amended in 2013 to define promotion as requiring the Minister of Energy and Resources and the relevant Chief Executive to publicise and encourage interest and investment in New Zealand petroleum and minerals development. The programmes also set an expectation for how frequently public tenders for petroleum exploration permits, or 'block offers', would be held.
- 26 At the time of these amendments, there was objection to the purpose to "promote" the oil and gas sector in New Zealand. Individual submissions to the Select Committee recommended replacing the word "promote" with "administer" or "manage".

*The CMA's promotional intent provides little flexibility as to how the Crown manages and allocates rights to Crown-owned minerals*

- 27 Since 2013, the strategic and wider regulatory environment in which the CMA operates has evolved. Climate change is an increasing focus, as is the use of an intergenerational lens in decision-making that considers the longer-term and wider dimensions of well-being, such as environment, social and cultural outcomes.
- 28 In 2019, the Government set a domestic target to reduce our greenhouse gas emissions (other than from biogenic methane) to net-zero by 2050. Subsequently, in 2021, we updated New Zealand's first Nationally Determined Contribution under the Paris Agreement, which set a target of a 50 per cent reduction of net emissions below our gross 2005 level by 2030.
- 29 In 2019, we also announced New Zealand's Resource Strategy, *Responsibly Delivering Value – A Minerals and Petroleum Strategy for Aotearoa New Zealand: 2019-2029*, which is intended to lay the groundwork to help realise our vision for a responsible minerals and petroleum sector that delivers value for New Zealand, now and in the future.

- 30 New Zealand's first Emissions Reduction Plan was released in May 2022, which included strategies and actions to contribute to the global effort to limit global warming to 1.5 degrees Celsius above pre-industrial levels.
- 31 While we have chosen to transition away from fossil fuels, we also recognise that resources will continue to play an important role in our lives. Fossil gas is still used in a range of hard-to-abate sectors or by groups where transition costs and risks may be significant. It also has a role in supporting the electricity system, especially during years where hydro storage may be low. And some minerals are used in the production of clean technology that is crucial to transitioning us to a low-emissions economy.
- 32 The Government has committed to developing an Aotearoa New Zealand Energy Strategy and a Gas Transition Plan by the end of 2024. The Energy Strategy will set the direction for New Zealand's pathway away from fossil fuels and towards greater levels of renewable electricity and other low-emissions alternatives. The Gas Transition Plan is intended to establish transition pathways specifically for the fossil gas sector.
- 33 Later this year, I also intend to consult on the development of New Zealand's first critical minerals list. This list will identify those minerals that are important to New Zealand's needs now and in the future, to help inform activities across government that seek to secure an affordable supply of such minerals.
- 34 This Government is also investing in the development of renewable sources of energy. The New Zealand Battery Project is investigating pumped hydro and other potential energy storage projects to address New Zealand's 'dry year problem'. It will also help achieve the Government's target of 100 per cent renewable electricity generation by 2030 and support decarbonising the wider energy system.
- 35 In this context, the CMA's focus on promoting the development of petroleum and minerals does not enable flexibility in the choices available to the Crown as resource owner. It limits the scope for decisions to achieve a managed and equitable transition away from fossil fuels, while also sustaining investor confidence to continue the development of Crown-owned minerals where required.

*Public submitters are in favour of changing the promotional intent of the CMA*

- 36 MBIE consulted on proposals to alter the CMA's promotional intent in 2019/20. Submitters were specifically asked how the CMA's purpose should be expressed through its purpose statement, whether the statement should be amended from promoting mining and, if it should, what alternative wording, such as "administer" or "manage", would be appropriate.
- 37 MBIE received 167 submissions, either through email or an online survey. Of those who submitted online, 57 commented on the proposal regarding the purpose statement and 81 per cent of those agreed that the purpose statement should be changed from "promote" to "manage", "administer" or something else. Common explanations included that fossil burning will

damage the climate and that “promote” creates a bias towards mining and the economy over other wellbeing considerations.

- 38 The remaining 11 per cent disagreed, noting that minerals are important, and it is better to extract minerals in New Zealand where regulatory systems are best practice.

*I propose making neutral the promotional intent of the CMA to increase flexibility*

- 39 I propose changing the words “promote” in the purpose statement to more neutral language that neither requires nor inhibits development of Crown-owned minerals. Associated provisions in the CMA, such as section 5 which details the functions of the Minister of Energy and Resources, would also be amended to make neutral their promotional intent. One intended effect of the removal of this promotional intent will be to increase flexibility in relation to when and how often future public tenders for petroleum exploration permits take place.
- 40 The proposed amendments are not intended to change the fundamental role of the CMA in the wider regulatory system i.e., to allocate development rights to Crown-owned minerals in a way that increases economic benefit to New Zealand. The wider regulatory system, such as health and safety, environment, and conservation laws, will continue to provide the necessary checks and balance with regards to their stewardship domains.

*Consequential changes to the minerals programmes*

- 41 The minerals programmes would be updated to reflect the intent of the changes to the primary legislation. I propose that the normal consultation requirements should not apply to such changes as they are consequential to amendments to the CMA.

**I propose to enable greater engagement between hapū and iwi and permit/licence holders and permit applicants**

- 42 Hapū and iwi expect the Crown, as their Treaty partner, to ensure that at a minimum, those seeking or granted Tier 1 permits within their rohe will keep them informed of their plans and activities, and engage in a manner that demonstrates respect and understanding for their authority, mana and expertise in relation to the natural environment and local community.

*Feedback from hapū and iwi is that engagement with permit/licence holders and permit applicants is variable*

- 43 MBIE regularly engages with hapū and iwi in regions with active permits and licences. Feedback from this engagement is that not all permit and licence holders prioritise engagement, the quality of engagement is variable, and there can be a lack of transparency when sharing information.



- 44 MBIE received similar feedback on permit holder engagement through the 2019/20 consultation on Tranche Two of the CMA review and through recent engagement on proposals in 2021/22.

*The current approach to permit/licence holder and permit applicant engagement is largely voluntary, and expectations for good engagement can be unclear*

- 45 The CMA itself does not mandate engagement, although 2013 amendments introduced the requirement for Tier 1<sup>1</sup> permit/licence holders to report annually on any engagement activities with hapū and iwi whose rohe includes some or all of the permit/licence area or who otherwise may be directly affected by the permit/licence. Iwi engagement reports are intended to encourage permit and licence holders to engage in a positive and constructive manner. Submitting reports also allows the regulator to monitor these relationships.
- 46 In 2018, an iwi engagement condition was introduced in the Block Offer Invitations for Bids. This was intended to allow new permit holders to understand Māori interests and consider them as they implement their work programmes.
- 47 Hapū and iwi have raised the need to create more certainty around engagement expectations. Some permit/licence holders and applicants are uncertain why iwi engagement under the CMA is important and what constitutes positive engagement. Potential consequences for poor engagement are also unclear. Where relationships are poor, potential benefits from positive engagement between hapū/iwi and industry are forgone.

*I propose to create more certainty around engagement expectations and potential consequences for poor engagement under the CMA*

- 48 I propose requiring, as part of certain application types<sup>2</sup>, provision of contact information to be passed on by MBIE to hapū and iwi whose rohe includes some or all of the permit area or who otherwise may be directly affected by the permit if granted. This is intended to set the expectation that early engagement is important and expected.
- 49 I propose introducing minimum content requirements for iwi engagement reports in regulations and providing affected hapū and iwi with opportunities to review such reports. While the CMA requires iwi engagement reports from permit/licence holders, the content of these reports is not specified. Although MBIE provides guidance on content, the quality of the reporting and therefore the underlying engagement is variable.
- 50 Minimum content would include matters such as:

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<sup>1</sup> High-value or high-risk permits, which include all petroleum permits, underground operations and offshore minerals permits. All other permits are considered Tier 2 permits.

<sup>2</sup> This would apply to permit application types for which MBIE would ordinarily consult or notify hapū and iwi, or for which approval or the application would result in a change of permit operator. In the case of a Block Offer round or change of permit operator, contact details would be passed on if/when the permit is granted.

**I N C O N F I D E N C E**

- 50.1 a record of all relevant conversations between permit/licence holders and hapū and iwi;
  - 50.2 a description of how hapū and iwi have been kept informed of activities and plans relating to the permit;
  - 50.3 a summary of any issues or concerns raised by hapū and iwi and how they were responded to;
  - 50.4 a statement of the permit/licence holder's understanding of Māori interests in the permit/licence area;
  - 50.5 a summary of any impact of activities on Māori interests or aspirations and, if negative, any efforts to mitigate that impact;
  - 50.6 details of any requests made by hapū and iwi for additional information, including whether that information was provided, and if not, why not; and
  - 50.7 a section for hapū and iwi to include their views on the state of the relationship and the contents of the report.
- 51 Changes would also require permit/licence holders to share iwi engagement reports with affected hapū and iwi prior to submitting them, and, at the request of hapū and iwi, attend an annual meeting with MBIE for the purpose of discussing the content of reports. This is intended to encourage permit/licence holder accountability for their relationships with hapū and iwi.
- 52 I propose that changes relating to iwi engagement reports should apply to both permit holders under the CMA and licence holders under the Petroleum Act 1937, the Coal Mines Act 1925, the Mining Act 1971, and the Iron and Steel Industry Act 1959. This is consistent with the approach taken in 2013 when the iwi engagement reporting requirement was first introduced. This will modernise the requirements for licence holders and ensure requirements are consistent for both permit and licence holders.
- 53 Finally, I propose making explicit<sup>3</sup> that decision-makers under the CMA may have regard to feedback from hapū and iwi on past engagement with permit/licence holders when making permit allocation decisions. Making this explicit will send a signal to industry that the Crown takes engagement with its Treaty partners seriously.
- 54 Engagement should remain discretionary for hapū and iwi, and permit/licence holders should not face disadvantages in instances where hapū and iwi choose not to engage.

**I propose to make other decommissioning-related clarification amendments**

- 55 The Crown Minerals (Decommissioning and Other Matters) Amendment Act 2021 introduced changes to strengthen the decision-making tests for permit

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<sup>3</sup> Decision makers already have the discretion to take this into account as part of their consideration of the CMA's Section 4 Treaty clause.

acquisition, transfer and change provisions. These changes sought to ensure that only companies/individuals who have the financial and technical capability to give effect to the work programmes and permit condition are able to acquire permits for petroleum and minerals in New Zealand [DEV-21-MIN-0058]. They were intended to reduce the likelihood of companies gaining permits in New Zealand that do not have the financial and technical capability to undertake and fund decommissioning.

- 56 For the avoidance of any ambiguity, I propose changes to clarify and make consistent the CMA's permit grant, transfer and change tests to ensure that assessments can be carried out not just on compliance with work programmes and permit conditions, but also in relation to the decommissioning-related obligations in the CMA.

### **Financial Implications**

- 57 The proposals in this paper may impose additional costs on petroleum and minerals permit and licence holders that may not currently engage well with hapū and iwi. And while the changes will not place any additional obligations on hapū and iwi, they will likely increase demand for their engagement, and therefore increase resourcing pressures.
- 58 MBIE, as the regulator, will incur additional administration, monitoring and enforcement costs with regards to hapū and iwi engagement. MBIE indicates that such costs can be met through funding recently awarded in Budget 2022 (\$38 million over four years), including for the purpose of supporting the regulator to improve and sustain how it engages with hapū and iwi.

### **Legislative Implications**

- 59 The policy decisions in this paper will require legislative change to be progressed through a Crown Minerals Amendment Bill, which currently holds a category four priority on the 2022 Legislation Programme (to be referred to a select committee in the year).
- 60 The policy decisions in this paper will also require changes to the minerals and petroleum regulations to introduce minimum content requirements for iwi engagement reports, as well as consequential amendments to the minerals and petroleum programmes.

### **Impact Analysis**

#### **Regulatory Impact Statement**

- 61 The regulatory impact analysis requirements apply to the proposals in this paper that seek to enable a more flexible approach in the management of Crown-owned minerals and improve permit holder engagement with hapū and iwi. Two Regulatory Impact Statements (RIS) have been completed and are attached in Appendices One and Two.

62 MBIE's Regulatory Impact Analysis Review Panel has reviewed the attached Impact Statements prepared by MBIE. The panel considers that the information and analysis summarised in the Impact Statements meet the criteria necessary for Ministers to make informed decisions on the proposals in this paper.

63 The Treasury's Regulatory Impact Analysis team has determined that the proposal to clarify permit grant, transfer and change tests in relation to decommissioning obligations in the Crown Minerals Act 1991 is exempt from the requirement to provide a Regulatory Impact Statement. This is on the grounds that it has been addressed by existing impact analysis ([DEV-21-MIN-0058] and <https://www.mbie.govt.nz/dmsdocument/14678-impact-summary-additional-options-to-address-limitations-with-petroleum-infrastructure-decommissioning-regime-under-the-crown-minerals-act-1991>).

#### **Climate Implications of Policy Assessment**

64 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to these proposals as the threshold for significance is not met.

#### **Population Implications**

65 There are no population implications arising from the proposals in this paper.

#### **Human Rights**

66 The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

#### **Consultation**

67 The following departments were consulted on this paper: Te Arawhiti, Ministry for the Environment, Department of Conservation, Inland Revenue Department, Ministry of Justice, Ministry of Foreign Affairs and Trade, and The Treasury.

#### **Communications**

68 I intend to publicly announce decisions on this paper in July 2022 following Cabinet approval. Changes will be announced simultaneously to iwi, non-government organisations and other stakeholders.

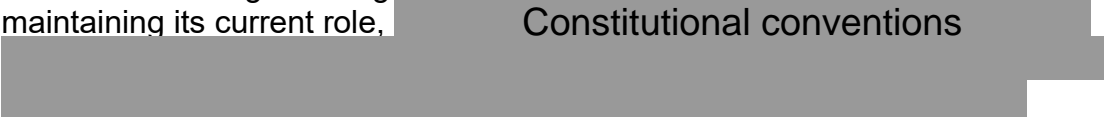
#### **Proactive Release**

69 Following public announcements on policy decisions, I intend to release this paper proactively, subject to redaction as appropriate and consistent with the Official Information Act 1982.

#### **Recommendations**

The Minister of Energy and Resources recommends that the Committee:

IN CONFIDENCE

- 1 **note** that in July 2018, Cabinet agreed to a two-part review of the Crown Minerals Act 1991 (CMA) [CAB-18-MIN-0306];
- 2 **note** that Tranche One of the review was completed in 2018 with the passage of the Crown Minerals (Petroleum) Amendment Act that gave effect to the Government's new policy to prohibit the allocation of new petroleum exploration permits offshore;
- 3 **note** that in June 2019, Cabinet agreed to the Terms of Reference for Tranche Two, a wide ranging-review that would consider factors needed to enable New Zealand's petroleum and mineral resources sector's contribution to a productive, sustainable and inclusive economy [DEV-19-MIN-0120];
- 4 **note** that in November 2020, I agreed to conclude Tranche Two by making incremental changes to align the CMA with wider Government policy while maintaining its current role, **Constitutional conventions**  

- 5 **agree** to amend the purpose statement of the CMA to make neutral its promotional intent and enable increased flexibility as to the allocation of rights to Crown-owned minerals;
- 6 **agree** to amend associated provisions in the CMA that reflect its promotional intent, such as section 5 Functions of the Minister;
- 7 **agree** to amend relevant provisions of the CMA to allow greater flexibility in the frequency of public tenders for petroleum exploration permits;
- 8 **agree** to require, as part of certain application types, provision of contact information to be passed on by MBIE to hapū and iwi whose rohe includes some or all of the permit area or who otherwise may be directly affected by the permit if granted;
- 9 **agree** to introduce minimum content for iwi engagement reports currently required of permit and licence holders under the CMA;
- 10 **agree** to require permit and licence holders to share iwi engagement reports with hapū and iwi whose rohe includes some or all of the permit area or who otherwise may be directly affected by the permit for their feedback, prior to their submission;
- 11 **agree** to enable annual meetings between hapū and iwi, permit and licence holders and the MBIE for the purpose of discussing the content of annual iwi engagement reports;
- 12 **agree** that changes relating to iwi engagement reports should apply to both permit holders under the CMA and licence holders under the Petroleum Act 1937, the Coal Mines Act 1979, the Mining Act 1971, and the Iron and Steel Industry Act 1959;

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- 13 **agree** to make explicit that decision-makers under the CMA may have regard to feedback from hapū and iwi on past permit/licence holder engagement when making permit allocation decisions;
- 14 **agree** to clarify and make consistent the permit grant, transfer, and change tests in the CMA to ensure assessments against the ability to give effect to work programmes, permit conditions, and decommissioning obligations in the CMA;
- 15 **agree** to simultaneously amend the minerals programmes to reflect changes consistent with those made to the CMA;
- 16 **agree** to amend the CMA to disapply the normal consultation requirements for amendments to the minerals programmes for any amendments that are consequential to changes to the primary legislation proposed in this paper;
- 17 **note** that the recommendations above will be given effect through the Crown Minerals Amendment Bill, which currently holds a category four priority on the 2022 Legislation Programme (to be referred to a select committee in the year);
- 18 **invite** the Minister of Energy and Resources to issue drafting instructions to the Parliamentary Counsel Office to give effect to the recommendations above; and
- 19 **authorise** the Minister of Energy and Resources to make decisions consistent with the policy intent and on any minor or technical matters that may arise during the legislative drafting process.

Authorised for lodgement

Hon Dr Megan Woods

Minister of Energy and Resources

**Appendix One: Regulatory Impact Statement - Enabling flexibility in the management of Crown minerals development under the Crown Minerals Act 1991**

**Appendix Two: Regulatory Impact Statement - Improving  
permit/licence holder and permit applicant engagement with hapū  
and iwi under the Crown Minerals Act 1991**