

Briefing for the Incoming Minister for Resources

27 November 2023



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1. Welcome to the Resources portfolio

1. We understand the Government's priorities in this portfolio include:
 - removing the ban on petroleum exploration outside the onshore Taranaki region
 - updating the Crown Minerals Act 1991 to clarify its role as promoting the use of Crown minerals
 - improving consenting settings in relation to mining
 - ensuring energy settings allow for the exploration of naturally-occurring hydrogen ('white hydrogen') in New Zealand, to maximise future energy resilience
 - investigating the strategic opportunities in New Zealand's mineral resources, including vanadium, and developing a plan to develop these opportunities
 - developing a critical minerals list.
2. The Government has split the previous Energy and Resources portfolio into two separate portfolios and created an Associate Energy portfolio. Both systems play a significant role in creating a productive and sustainable economy. There are significant overlaps between the portfolios, particularly with respect to gas. Officials welcome further guidance from you and the Minister for Energy on the nature of this split and how Ministerial priorities will be apportioned. In advance of that guidance, we note the following priorities, which may sit with the Energy or Associate Energy portfolio:

Confidential advice to Government

3. We also acknowledge the incoming Government's commitment to reduce public sector expenditure. Co
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4. In section 6 of this briefing, we set out the range of further briefings we intend to provide, which address how we will support you in delivering on the Government's priorities in this portfolio. We would value an early opportunity to discuss the relative priority of your commitments and to support you to develop a portfolio work programme.
5. The purpose of this briefing is to:
 - provide background information about the Resources portfolio (contained in sections 2, 4 and 5 of this briefing)
 - provide initial advice on the strategic issues facing the Resources system (section 3 of this briefing)
 - set out how we will help you to implement your priorities for the portfolio and identify further areas where MBIE considers policy settings within your portfolio could be improved, to optimise the performance of the Resources regulatory system (section 3 of this briefing).

2. Portfolio overview

Purpose of this section

7. This section sets the scene for the Resources portfolio by outlining the regulatory system you are responsible for, and the associated appropriations and MBIE staffing arrangements.
8. This is supplemented by section 4 of this briefing, which provides a more detailed breakdown of the legislation, entities and appropriations that sit within these systems (with further information in the annexes).

Responsibilities

9. As Minister for Resources you are responsible for the petroleum and minerals regulatory system. This regulatory system is intrinsically linked with the energy system. New Zealand's reserves of minerals, oil and gas are valuable national assets, have an important role to play in securing our supply of affordable energy and their extraction contributes to national and regional economic growth. Minerals such as aggregate are also critical to infrastructure and industry, and some of our minerals will likely be essential in a low emissions economy.
10. The regulatory system contains the framework for managing New Zealand's Crown-owned petroleum and mineral resources and leading the development and regulation of our resources. Crown-owned minerals include all petroleum, gold, silver and uranium existing in its natural condition in land and, in some cases, other minerals on or under Crown land. The Crown can also have rights to minerals in private land. In some cases, minerals on or under Crown land are also owned privately.
11. The Crown Minerals Act 1991 (CMA) is the primary mechanism for managing the prospecting, exploration and mining of Crown-owned minerals (including petroleum) for the benefit of New Zealand. To this end, the CMA provides for:
 - the efficient allocation of rights to prospect for, explore for, and mine Crown-owned minerals
 - the effective management and regulation of the exercise of those rights
 - the carrying out of activities in respect of those rights in accordance with good industry practice
 - a fair financial return to the Crown for its minerals.
12. Annex 1 provides key introductory data about the New Zealand petroleum and minerals sector.
13. For your information, the closely-related energy markets regulatory system comprises the institutions and markets involved in the production, supply and consumption of energy and related services. It includes regulatory and non-regulatory measures to support the reliability and security, competition, efficiency, access and affordability of energy.
14. The energy markets regulatory system includes the policy, legislation, regulations and rules governing:
 - **Gas:** storage, transmission, distribution and retailing of natural gas and LPG
 - **Electricity:** generation, storage, transmission, distribution and retailing
 - **Energy use and efficiency:** policy settings for supporting the efficient industrial and domestic use of energy, the provision of energy efficiency product standards and information for energy consumers

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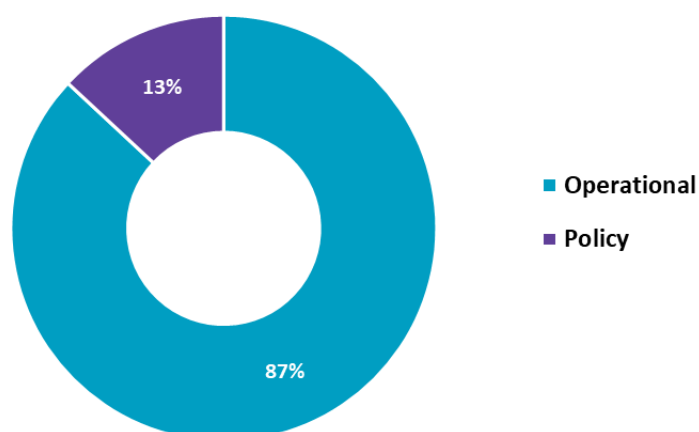
- **Liquid fuel markets:** importation, export, storage, distribution and retailing of refined oil products and other liquid fuels.

Departmental arrangements

15. The Resources portfolio is supported by the Energy and Resource Markets (ERM) Branch of the Ministry of the Business, Innovation and Employment (MBIE). Within the branch, approximately 10 policy FTEs and 66.5 operational FTEs are dedicated to the Resources portfolio. Operational functions include New Zealand Petroleum and Minerals, or “NZP&M”, and relate to permitting, monitoring, compliance and Crown Minerals Estate information services.

RESOURCES Portfolio by Policy/Operational Function ONLY

The 'Resources' portfolio (Operational/Policy only) consists of 76.5 FTE, which is 1.2% of the total MBIE workforce. In the Resources portfolio, 87% is operational and 13% is policy. Enablement functions (corporate, ICT) have not been included.



Portfolio FTE by Function

Function	Portfolio FTE	Portfolio %
Operational	66.5	87%
Policy	10.0	13%
Total staff	76.5	100%

*Note: All numbers are represented as FTE. Data is at 30 September 2023

Appropriations you are responsible for

16. The Crown Minerals Estate appropriation and funding for the Tui decommissioning project sit within Vote Business, Science, and Innovation. For 2023/24, the appropriation for Vote Business, Science, and Innovation is \$4,086m (excluding capital), of which \$149.6m is for the Resources portfolio (\$109m of this specifically funds the contract for the decommissioning of the Tui oil field).
17. The portfolio appropriation is split between departmental funding (funding received by MBIE to provide services directly) of \$36m, third party revenue of \$9m (generated from fees) and non-departmental funding of \$104m (which funds the contract for the decommissioning of the Tui oil field).

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18. We are cognisant of the current fiscal environment, including the \$110 million Fiscal Sustainability Payment likely to be submitted to Treasury in November. Confidential advice to Government

Legislation

19. The Resources portfolio is responsible for administering the Crown Minerals Act 1991. Your roles and responsibilities under this Act are set out in section 4 below.

3. Strategic choices in the Resources portfolio

The economic context

20. As outlined in MBIE's separate briefing on the economic context, New Zealand's economy faces a number of long-term challenges. These include weak productivity, increasing stresses on our economic resilience, negative impacts on the natural environment and significant disparities between different population groups. Compounding these are global 'megatrends', such as changes in climate, technology and demography, and rising geopolitical tensions. In the short-term, our economy also faces headwinds. These challenges and trends present both risks and opportunities to the economy. MBIE can help you to work collaboratively across portfolios and with stakeholders, such as business and local communities, to achieve your immediate portfolio priorities and address these challenges.

The resources sector is an important source of economic activity and Crown revenue, and critical to our energy and resources security

21. New Zealand's reserves of minerals, oil and gas are critical national assets:

- Gas from petroleum extraction and coal continue to play an important role in industrial processes and electricity generation. Petroleum extraction provides a revenue source for the Crown and is a driver of economic activity, especially in the Taranaki region.
- Minerals such as aggregate, ironsands and coal are vital for our infrastructure needs and for important domestic industry such as steel production. Without local extraction of these minerals, we may see some industries exit, making us more dependent on higher priced imports and vulnerable to supply disruptions.
- Globally, there is increasing interest in a wider range of minerals and uses, many of which will be important in a low emissions economy. As new technologies emerge, there will be increasing demand for different types of minerals (e.g. lithium and vanadium). This may represent an opportunity for New Zealand.

22. The resources sector is also a significant contributor to national and regional economic productivity and delivers considerable value in Crown revenue. The sector contributed \$921 million of export value from oil and gas exports in 2022 and \$1.03 billion from mineral exports. It contributed \$1.9 billion in GDP in the year ending March 2021 and employs approximately 6,250 people. It also provides a reliable energy source for industry and households, an input into the chemicals industry, a valuable export commodity (\$921 million in 2022) and creates skilled, well-paid jobs.

23. It also delivers considerable value in Crown revenue in the form of royalties, fees and levies. In 2022-23 this totalled \$235.8 million, with petroleum contributing \$214.2 million and minerals contributing \$21.6 million.

24. However, New Zealand's energy and resources systems face real and growing security of supply challenges. The resources system has a key role to play in responding to these challenges, which relate to supply chain resilience, gas and electricity supply. These challenges can be managed, so that our long-term energy future is more secure and reliable than today.

Māori have a strong interest in the portfolio and the Crown has specific obligations to iwi

25. The Crown, and MBIE, have obligations through the Treaty of Waitangi, Treaty settlements and Accords to include iwi in operational and policy processes in the resources regulatory system. This includes providing the opportunity to participate in early policy development. The Crown and MBIE also have obligations within the Public Service Act 2020, which explicitly recognises the role of the Public Service to support the Crown in its relationships with Māori under the Treaty of Waitangi. Specifically, ERM has commitments with 54 Māori groups (mostly iwi and hapū) that relate to the Resources portfolio and the management of minerals and natural resources.
26. Section 4 of the CMA states that “All persons exercising functions and powers under this Act shall have regard to the principles of the Treaty of Waitangi (Te Tiriti o Waitangi)”. This includes all permit and land access decisions. We note the Government’s commitment to undertake a comprehensive review of these provisions. The Minerals Programmes also provide requirements about how and when NZP&M will consult with Māori during consenting and ongoing management processes.
27. We recommend early engagement with iwi to understand their interests, set out your priorities and engage on areas to work together. In particular, iwi in Taranaki, Waikato and the South Island take an active interest in Resources policy issues, including the Crown minerals regime.

Oil is an important export commodity and gas is a critical national supply source

28. Our high-quality oil attracts premium prices on the international market and is almost entirely exported.
29. New Zealand has a self-contained natural gas sector. This gas plays an important role in methanol production, electricity generation and industrial use. Gas is also widely used for heating and cooking within households and commercially.
30. The gas sector comprises upstream and downstream components. Exploration and production is the upstream component, managed primarily under the Crown Minerals Act 1991. Processing, transmission and distribution is the downstream component managed under the Gas Act 1992.
31. Gas is a significant area of overlap between the Resources and Energy portfolios. As indicated above, we would welcome a conversation with you and the Minister for Energy on how responsibilities for the downstream component are managed, particularly the future of gas in our energy system and interactions with the Gas Industry Company (the downstream co-regulator).

Production from our existing oil and gas permits is forecast to peak in 2024

32. There has been a decline in the number of exploration permits awarded since 2014, due to a fall in the oil price and consolidated by policy changes. This includes the ban on petroleum exploration outside the onshore Taranaki region and the ban on seismic data acquisition in marine mammal sanctuaries. Currently operators are investing in their existing fields to continue to produce and extend the potential life as long as it is economic to do so.
33. While Taranaki has been the centre of our oil and gas sector, the Taranaki sedimentary basin is just one of 17 within New Zealand’s jurisdiction. Other basins that have had oil and gas prospecting or exploration in the past include the offshore Reinga Basins off Northland, Pegasus Basins off the Kaikoura/Wairarapa

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coasts, and the Canterbury and Great South Basins off the east coast of the South Island. Taranaki is the only location that has the infrastructure to deliver gas into the current transmission network.

34. Domestic oil production totalled 42 petajoules in 2022, down 29 per cent compared to 2019. Historic peaks in production were recorded at 129 and 132 PJ in 1997 and 2008 respectively. These peaks stemmed from large production from the Maui gas-condensate field in 1997 and from peak production from the Tui oil field in 2007.
35. New Zealand oil is considered high quality and relatively pure, with minimal sulphur compounds and is free flowing and light in colour. This oil attracts premium prices on the international market and is almost entirely exported – mostly to refineries in Australia and Singapore, where it is refined into fuels and petrochemicals.
36. The ban on exploration has had a significant effect on investor sentiment which has reduced domestic petroleum extraction. We acknowledge the Government’s commitment to remove the ban on petroleum exploration outside of the onshore Taranaki region and we will work with you to deliver on this commitment.
37. It is possible that enabling further exploration will extend our oil and gas future. However, there are other impediments that we expect will still restrict investor interest. Notably, we expect that sovereign risk and medium- to long-term policy uncertainty will continue to deter investment given the long economic lifetime of petroleum investments, especially offshore. We are working with the sector to understand these barriers to investment and on options to overcome them. We will provide you with advice on this issue.

The sector has raised concerns about the petroleum decommissioning regime

38. As many of our oil and gas fields start to reach the end of their productive lives, we need to ensure that the environmental and economic risks for their decommissioning are managed. In recent years the Crown has had to take on a new, active role in decommissioning the Tui oilfield. \$422 million has been appropriated to do this. Tui has sharpened the focus and expedited the review of aspects of the CMA regime, specifically the need for a more strategic and proactive approach to the regulation of the petroleum sector’s financial preparedness for decommissioning.
39. The potential liability to the Crown of having to take over and decommission existing petroleum infrastructure is approximately [redacted] **Commercial Information** The Crown Minerals (Decommissioning and Other Matters) Amendment Act 2021 imposed new obligations on petroleum companies in relation to the decommissioning of petroleum wells and infrastructure. This includes an obligation on permit or licence holders to supply technical and financial information to the Crown, and requirements for them to bear the cost of decommissioning. The Act also imposed new functions on the Regulator.
40. We are aware of sector concerns about aspects of the decommissioning regime, particularly relating to the manner of imposition and scale of the requirement for financial securities. These concerns are also affecting investor confidence. We have been assessing sector feedback **Confidential advice to Government** [redacted]. We will provide you with early advice on this.

We need to maintain our gas supply for all its current uses, until there are suitable alternatives

41. In advance of guidance from you and the Minister for Energy on how Ministerial priorities will be apportioned, we have provided you both with this initial advice on the security of supply challenges facing the gas sector. In particular, it will be important to ensure that the electricity system’s needs are reflected in policy work related to gas.

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42. Gas is an important contributor to New Zealand's economy, as both a provider of energy and a component of methanol and urea production. As part of the energy system, gas is vital to our energy security in the short to medium term and is likely to have a part to play in the longer term depending on future technology solutions. While the demand for gas will decline over time with increasing electrification and as users switch to other fuels, we expect it to remain critical for firming and meeting peak electricity demand for some time. It is also likely to remain central to industrial and commercial activities, such as generating high temperature process heat and as a chemical feedstock.
43. We need our gas supply to match demand. This will be difficult in a declining market as the amount of gas supplied is tied to ongoing investment¹ rather than just a function of demand. Investment in existing fields is in turn affected by economic conditions, an uncertain future for gas, as well as investor sentiment.
44. In the absence of significant further exploration activity, the amount of gas produced will decline. This decline is a function of reduced investment rather than a reduction in the amount of gas in the ground. We also expect the customer base to shrink and that demand for gas for electricity generation will become more variable. Gas exploration and supply in this context is likely to become increasingly uneconomic. In addition, if there is not a clear future pathway for the gas sector there will be a further eroding of investor confidence, which could give rise to a risk of an unplanned and abrupt loss of reliable gas supply. Such a loss would have direct economic impact for those relying on gas as well as wider economic and social impacts from a loss of reliable electricity supply.

45. Free and frank opinions

46. The current physical gas system is not designed to respond to sudden peaks in demand. The system delivers gas at a relatively constant flow and if more gas is needed in one place it needs to be diverted from somewhere else. Electricity generators buy gas for peaking and firming only when they need it, in comparatively small amounts and on a short-term basis. At present this can be supplied by the market, including through current gas storage.
47. However, from time to time greater amounts are needed. This can arise due to electricity generation shortages elsewhere on the grid. With more intermittent generation meaning greater variability in electricity supply, we will need greater flexibility in our gas supply. Free and frank opinions
- While one option would be gas storage, existing gas storage would be inadequate for meeting longer term needs, such as in a dry year.
48. The economic viability of the gas distribution system for residential, commercial and smaller industrial users in the North Island could also reduce if gas availability is uncertain and as the customer base reduces. Capital investment in the distribution system is based on a long return period paid for by fixed costs split amongst the gas users. This model means network operators may become unwilling to commit capital to keep the whole distribution system running if there is long-term uncertainty about the availability of gas or

¹ Estimated to be around \$200m per year to allow production to meet demand.

Free and frank opinions

if the customer base declines to a level where it is unable to fund maintenance, despite there still being customers.

49. As noted above, to address these risks and deliver a future stable and certain pathway for gas in New Zealand, MBIE recently consulted on an issues paper, which considers:
- when and how we can maintain security of supply, achieve affordability and improve economic prosperity while meeting emissions reductions objectives
 - the role for alternative renewable gases like biomethane and hydrogen
 - options for increasing gas system flexibility (gas storage and liquified natural gas) and
 - the role for technologies like carbon capture, use, and storage (CCUS), which offer promising ways to reduce emissions and support gas production. CCUS may also allow for the development of reserves that would otherwise be uneconomic under the Emissions Trading Scheme due to a high concentration of CO₂.
50. Subject to clarification of Ministerial responsibilities, we will provide you with advice on options for advancing this work, including certainty about future policy settings. **Free and frank opinions**
- [REDACTED]
- [REDACTED]

Fuel security

51. Due to our oil's export value and its suitability for lubricant manufacture rather than fuel production, New Zealand has always relied on imports to meet its domestic fuel needs. When the Marsden Point Oil Refinery was open, we imported crude oil that we then refined into fuel. Since its closure we have been directly importing refined fuel.
52. We note the Government's priorities relating to fuel security and the commitment to investigate the reopening of Marsden Point oil refinery. As indicated above, fuel is potentially an area of overlap between the Energy and Associate Energy portfolios. Depending on the division of portfolio responsibilities with the Minister for Energy, we are available to provide advice on these Government priorities.

We need to continue to extract minerals to support our infrastructure and industrial needs

53. We get significant value from our mined resources. Minerals found in New Zealand have uses across the economy. Mining for minerals (other than petroleum) has played an integral part in New Zealand's economic development since the 19th century. A wide variety of mineral deposits can be found both onshore and offshore, which reflects our dynamic tectonic history. The minerals sector contributes to jobs, infrastructure and GDP, with the resources produced from mining used locally, as well as exported.
54. In 2022, the main minerals produced in New Zealand were coal, gold, silver, aggregate (rock, sand and gravel), ironsand, limestone, and clay. Other industrial rocks and minerals are produced for both local and export markets – including decorative, building and dimension stone, dolomite, pumice, silica and zeolite.
55. The domestic demand for minerals mined and used most in New Zealand is unlikely to decrease, given the demand by key economic sectors, such as construction, steel manufacturing and agriculture.

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56. Other than petroleum, the primary commodities mined are gold, ironsand, coal and aggregate. Much of our extracted minerals are used domestically. Their extraction is therefore important for our resilience and productivity. The table below illustrates the range of uses for New Zealand extracted minerals.

	Mineral	Uses	Examples
Industrial	Ironsand	Manufacturing	A source of iron to make steel
	Pumice	Manufacturing	An abrasive or insulator
	Silica Sand	Manufacturing	Glass manufacture
	Coal	Manufacturing	Thermal coal used as a reductant in steel making by NZ Steel
Construction	Aggregate	Housing, roads, infrastructure	Concrete, asphalt, mortar
	Gypsum	Housing	Drywall, plaster, building rocks
	Limestone	Housing, roading, concrete	Building blocks, aggregate component, clay-based limestone used in concrete, steel manufacture
	Clay	Housing	Brick and tile manufacture
Agriculture	Limestone	Soil quality	Agricultural lime to neutralise soil acidity
	Pumice	Soil quality	In soil mixes to improve drainage
Precious metals	Gold, silver	Technical and electrical componentry, jewellery	Jewellery, electronics, coins, investment

57. We know we will need to maintain a supply of certain resources. For example, our demand for aggregate (e.g. rock, gravel, sand, limestone, scoria, schist, clay etc) is unlikely to diminish. We will therefore need to continue mining for aggregate, including through new mines, to avoid becoming reliant on more costly imports.
58. We understand you have an interest in increasing coal extraction and investigating the potential of former coal mines. We are available to discuss your priorities relating to coal extraction and to provide you with advice on this option.
59. The North Island coal mines produce sub-bituminous coal. This coal is appropriate for heating and electricity generation. The main consumers of this coal are Genesis' Huntly Power Station and the Glenbrook steel mill as, unlike most steel mills around the world, the Glenbrook mill can use sub-bituminous coal due to the facility's unique processes. The South Island coal mines produce both bituminous coal, which is exported for use in the manufacture of international steel, and thermal coal (sub-bituminous and lignite coal), which is primarily used for process heat and commercial heating purposes due to the lack of reticulated gas.

60. Most of the coal we import into New Zealand is thermal or sub bituminous coal, used for electricity generation and steel production. The increase in coal imports in 2021 was directly linked to the 'dry year' problem.

New Zealand also has the potential to position itself as a producer and exporter of novel minerals to support the energy transition

61. Several studies point to resource potential in New Zealand that goes beyond current extraction and broadens the minerals that we have targeted to date. For example:
- There is potential for lithium, a key component for lithium-ion batteries, in the West Coast area and the Taupo Volcanic Zone. There is also potential for extraction of lithium from geothermal fluids.
 - Rare earth elements may be found in areas of Westland, Canterbury and Marlborough, and as by-products within alluvial gold and heavy mineral sand deposits on the West Coast. These are used in a wide range of applications, including electric vehicles, wind turbines and electronic devices.
 - Vanadium occurs as a significant by-product, up to five per cent, within the substantial ironsand deposits on and offshore the west coast of the North Island. It is a key component in redox flow batteries and high strength steel.
 - New Zealand's mineral potential extends into the marine area. Mineral extraction in the marine area raises significant environmental concerns which need to be considered. These minerals could support clean technology and other supply chains. For example:
 - Ironsand along the west-coast of the North Island sitting in 20-50 metres of water could supply iron for steel-making, vanadium for battery storage and titanium for clean technology. MBIE estimates an 'in the ground' value of Taranaki ironsand at NZ \$100 billion and additional ironsand deposits of up to NZ \$275 billion.
 - Phosphorite nodules are found along the Chatham rise, which could supply an essential ingredient in our fertilisers. Rare earth elements also occur at elevated concentrations in the nodules and are essential inputs into wind power, electric vehicles and battery storage. The 'in ground' value of the offshore phosphorite deposits are estimated to be in the range of NZ\$10 – 15 billion (phosphates only, excluding rare earth element values).
 - Manganese nodules in the Campbell Plateau and seafloor massive sulphides in the Kermadec Arcs are other mineral deposits of interest in the deep-sea environment. The minerals within these deposits could supply clean energy technologies, such as energy storage, solar, wind and geothermal power.

The global demand for minerals is increasing

62. 'Clean-tech minerals' are becoming increasingly important in the global low emissions energy transition. The exact mineral needs of New Zealand and the rest of the world to support these goals are still unclear. However, as we electrify and industries look to reduce their emissions, demand for minerals to bridge the technology gap will likely increase.
63. As the global energy transition gains momentum, countries are positioning themselves as key manufacturing hubs for clean technologies, key suppliers or key processors of the inputs into clean technologies.

64. The International Energy Agency estimates that to reach net-zero emissions by 2050, the world will need six times more minerals than are currently being extracted as inputs into low emissions technologies. EVs and battery storage have already displaced consumer electronics to become the largest consumer of lithium and are set to take over from stainless steel as the largest end-user of nickel by 2040.
65. Traditionally, the production of these 'critical minerals' has been dominated by a few countries. Several countries have recently produced critical minerals lists, followed by or in conjunction with critical minerals strategies, where they outline actions to shore up their ability to source or supply these minerals. These strategies aim to transform economies on the back of the clean energy transition and the critical minerals trade.

There could be opportunities for New Zealand

66. There is a lack of information on New Zealand's mineral endowment and the supply and demand for many of our mineral resources. Opportunities are emerging for many economically and strategically important minerals developments across New Zealand. However, current domestic data limitations present some challenges which need to be overcome – without understanding our mineral endowment and the need for strategic and critical minerals, we risk missing key economic opportunities. Understanding New Zealand's potential to supply these minerals domestically and globally will be key to inform future policy direction for the sector.
67. New Zealand could be well placed to contribute to low emissions industries due to our high mineral endowment and active research base. This, in turn, could provide opportunities for significant economic benefits and diversification of the economy. Some examples are:
 - producing green steel through hydrogen reduction, a process particularly suited to New Zealand's significant titanomagnetite ironsand resources
 - producing vanadium pentoxide, a critical battery mineral, as a side process to the green steel process
 - converting ilmenite from our substantial heavy mineral sands into a ferro-ilmenite capable of stable and high capacity hydrogen storage
 - permanent and stable sequestration of carbon dioxide in our ultramafic rocks, either in the ground or in mined or manufactured products from those rocks, or sequestration into a media utilising limestone, cement and New Zealand ironsand
 - developing of low carbon cement using pozzolans, such as pumice, volcanic ash or some clays.
68. Māori could also benefit directly. For example, in the marine area, ownership of non-statute minerals (i.e., minerals other than gold, silver, uranium and petroleum) conferred to iwi through the Marine and Coastal Areas (Takutai Moana) Act 2011 legislation would provide opportunities for iwi to determine and directly benefit from future economic development activities related to those minerals (dependent on environmental permissions).
69. We note the Government's commitment to investigate the strategic opportunities in New Zealand's mineral resources, including vanadium, and to develop a plan for these opportunities; and to explore the potential for a critical minerals list, where such minerals would have a preferential pathway for development once identified.
70. We welcome a discussion with you about how to advance work on both priorities.

Despite the importance of our mineral resources and potential future opportunities, extracting them has become increasingly difficult

71. There are significant barriers to taking advantage of New Zealand's mineral wealth. Mining affects the natural environment, can transform landscapes and amenity value, and alter natural ecosystems. For marine mining specifically, there is a lack of environmental baseline data associated with prospective mining areas, which makes assessing potential impacts very difficult.
72. The social impacts of mining are also complex. They can vary depending on the type of mining, the scale of the operation, and the location of the mine. There is a risk of adverse community effects in terms of social amenity, ability to use land and economic instability as a result of mine closures.
73. Resource management and conservation policy settings increasingly pose significant challenges to the extraction of resources. You have a role to help ensure our domestic interest in mineral extraction is given appropriate weight alongside the need to protect our local environment and biodiversity.
74. A key challenge is to improve public understanding of the importance of minerals in supporting our domestic economy and in new clean technologies, and of the role that a responsible mining sector can play in rehabilitation. You will have a role in working closely with your colleagues in other portfolios and in helping shift the public debate if we want our minerals sector to develop. Obtaining social licence and ensuring alignment between the Resources portfolio and other regulatory regimes is a priority.
75. The Government has committed to repealing the Natural and Built Environment and Spatial Planning Acts, and to other resource management reforms relating to freshwater management and indigenous biodiversity. Responsibility for resource management reform will sit with the Minister Responsible for RMA Reform. We propose to engage closely in the reform of the resource management regime and will support you in your involvement as the Minister for Resources.

Māori have a clear interest in the mining of minerals

76. Iwi and hapū have a clear interest in the mining of minerals in their rohe and have rights to be consulted on any proposed new permit or certain changes to an existing permit. Iwi interests vary across New Zealand and in some instances there is a clear call for more benefits to accrue to iwi from the allocation of permits.
77. As set out above, ERM has commitments with 54 Māori groups (mostly iwi and hapū) that relate to the Resources portfolio and the management of minerals and natural resources. We work hard to build strong relationships with iwi to support the Crown to uphold its obligations. These strong relationships are important for the successful delivery of projects across the portfolio. We would welcome an opportunity to meet with you to discuss opportunities for engagement with iwi on the Resources portfolio.

Other challenges facing the Crown minerals regulatory system

78. MBIE administers the Crown Minerals Act 1991 (CMA), which is the primary allocation tool for Crown-owned minerals including petroleum, gold and silver. While the CMA is fundamentally sound, the regulatory framework could be improved to meet the challenges facing the sector now and in the future.
79. First, the legislation applies to Crown-owned minerals. There are questions about its role for other 'new' minerals, such as naturally-occurring hydrogen, those minerals critical for our economy, and processes (e.g.

by-products³). We have started receiving permit applications for some of these minerals and clarity about whether the Crown will assert ownership rights and/or provide for mining of these minerals is required.

80. Second, over the last few years there has been a greater need for the regulator to consider the extent to which it can and should take environmental considerations into account when looking to allocate permits. This has complicated decision-making. Notably, decision-making has been challenged through the *Students for Climate Solutions Incorporated v Minister of Energy and Resources* case. The High Court in that case held that climate change considerations were not relevant under the CMA and this decision has been appealed. It was heard by the Court of Appeal in May 2023 and we await a decision.
81. Third, iwi also tell us that the way we manage the Crown's petroleum and mineral estate does not fully account for the aspirations of tangata whenua. One issue they note is that they consider they have relatively little input into allocation decisions under the CMA. Changes made through the recent Crown Minerals Amendment Act 2023 have sought to address this concern. Compared to the Resource Management Act 1991 (RMA), permit holder engagement under the CMA can happen earlier and enables a relational focus, aligning to approaches tangata whenua have expressed they prefer. Free and frank [REDACTED]
82. Finally, regulatory functions are part-funded through third-party revenue generated through fees on permit applications. There has been a reduction in this revenue with the result of a deficit in the memorandum account of about \$2.9m at the end of the 2022/23 financial year. In Budget 2022, the Government provided an increase in Crown revenue, for four years, to meet the cost pressures on the regulator. Constitut [REDACTED]

We are working to reduce a backlog in minerals applications

83. We have a queue of minerals applications that we manage (as at 31 October there were 299 applications in the queue). The queue contains a backlog of applications that has been generated as a result of a range of factors, including:
- an upsurge in applications since 2020 due to high gold prices
 - tightening of our regulatory processes over the last five years, which has seen more rigorous reviewing and approving of applications and increased monitoring and research activities.
84. The latter has resulted in an increase in the time taken to process applications, because we are ensuring we fully document the factual basis and reasons for decisions, set out our likely decisions and reasons to applicants, and provide them with opportunities to respond prior to final decisions being taken.
85. In recent years, we have also enhanced our approach to engaging with Māori (under protocols and section 4 of the Crown Minerals Act), which has added complexity to decision-making processes.
86. Finally, the quality of applications requires improvement as significant time is taken up by working with applicants to bring them to a standard that allows for them to be processed and assessed. One specific area

³ A by-product mineral is one that is mined incidentally to the mining of a primary mineral and can be any mineral. Many of the rarer minerals that are critical for the production of high technology products however, are often produced as by-products to a primary mineral or minerals.

BRIEFING FOR INCOMING MINISTER FOR RESOURCES

where we see a need for improvements is the plotting of permit areas and their potential overlap with other permits and conservation land.

87. We recognize the importance of addressing the backlog we face and we are addressing the underlying issues that have been identified. Specifically, we have adopted a targeted portfolio approach to the processing of applications, which is showing some benefits, and we are improving our guidance to the sector. We are developing operational policy to allow for improved triage of applications and we are working with LINZ and DOC to address challenges with permit plotting.

88. Confidential advice to Government

89. There are a small number of applications for mining in sensitive areas (e.g., World Heritage Areas or offshore) that we would appreciate the opportunity to discuss with you to progress to decisions.
90. We currently have 12 petroleum applications under consideration, of which four have been under consideration for more than six months. Processing a petroleum application can take some time given the complexity associated with them. However, we also have an effective triaging system in place that allows for short turn-arounds when necessary for some types of application (e.g., urgent drilling consents under existing mining licenses).

4. Portfolio responsibilities

Legislation within your portfolio responsibilities

91. The Crown Minerals Act 1991 (CMA) sets out the management regime for Crown-owned minerals. The CMA covers the efficient allocation of the Crown's minerals, the effective management of those rights, and obtaining a fair financial return from the development of Crown-owned minerals. The purpose of the CMA is to manage the prospecting for, exploration for and mining of Crown-owned minerals for the benefit of New Zealand.
92. Crown-owned minerals include all petroleum, gold, silver and uranium existing in its natural condition in land, as well as all minerals in the territorial sea,⁴ Exclusive Economic Zone (EEZ) and extended continental shelf.⁵ Other minerals (e.g., coal, iron sands, aggregates) have a mixture of Crown and private ownership. Privately owned minerals do not fall under the CMA, meaning they can be mined without a CMA permit as long as there is a resource consent and the consent of the landowner.
93. Key responsibilities retained by you (rather than delegated to MBIE) under the CMA are:
- all powers, duties and functions involving matters with national or public interest tests
 - recommending changes to mineral programmes, or proposing new minerals programmes, that explain the interpretation and application of the CMA
 - deciding whether to reserve areas of land containing Crown-owned minerals for more strategic allocation
 - deciding whether to, alongside the Minister of Conservation or Minister for Land Information, grant access to Crown-owned land in some circumstances
 - recommending regulations on related matters, including for setting royalties and fees.
94. Responsibilities currently delegated to MBIE are:
- offering permits for application, including by way of public tender
 - granting or declining applications for permits, to change permits (including changes to ownership, work programme, duration and area) and to revoke permits
 - co-operating with regulatory agencies that perform functions in relation to Crown-owned minerals (e.g., providing permit or application information to WorkSafe to assist with its health and safety functions, duties or powers)
 - collecting and disclosing information in connection with mineral resources and mineral production
 - consulting with iwi and hapū on proposed permit application areas.

⁴ Except minerals conferred to iwi through customary marine title under the Marine and Coastal Area (Takutai Moana) Act 2011.

⁵ Minerals in the EEZ and Continental Shelf are vested in the Crown rather than 'owned'.

Depending on the division of responsibilities between you and the Minister for Energy, two other Acts may be relevant to your role

Fuel Industry Act 2020

95. The Fuel Industry Act 2020 establishes:

- a terminal gate pricing regime to improve competition in the wholesale market by making it easier for a fuel reseller to access fuel that is priced more competitively
- rules to ensure contracts between wholesale fuel suppliers and their wholesale customers are fair and support competition
- a dispute resolution scheme for the new regime
- improvements to the monitoring of the fuel market by requiring fuel companies to collect and disclose certain information and
- requirements for retail fuel sites to display prices on forecourt price boards.

96. The Act was amended in 2023 to introduce a regulatory backstop to the terminal gate pricing regime. The regulatory backstop provides a threat of regulating prices. This guards against the possibility that the regime is used as a vehicle for price coordination or that fuel companies build market power into their pricing mechanisms. The Act gives the Commerce Commission and the relevant Minister the power to initiate an inquiry into terminal gate prices. If prices are found to be inconsistent with what would be expected in a competitive market, the Minister can recommend regulations to regulate prices at the terminal gate with the recommendation of the Commerce Commission.

97. The relevant Minister's key responsibilities under this Act are monitoring fuel markets, determining whether to trigger an inquiry by the Commerce Commission into terminal gate pricing at one or more terminal gates, and recommending regulations on:

- access to fuel at storage terminals
- features that must be included or prohibited in wholesale contracts
- dispute resolution
- information that must be displayed in signage at service stations and
- information fuel suppliers must provide as part of the monitoring regime, which the Commerce Commission monitors and reports quarterly on.

Gas Act 1992

98. The Gas Act 1992 sets out the regulatory framework for the supply and use of gas. It:

- confers powers and duties on gas operators and other owners of gas fittings
- provides for the governance of the gas industry, including providing for co-regulation with a gas industry body, currently the Gas Industry Company (GIC) and
- sets out the functions of WorkSafe New Zealand as regulator of the safe supply and use of gas.

99. The Gas Act contains wide-ranging regulation-making powers for gas safety (including for the purposes of public health and safety and prevention of property damage), quality and measurement, as well as industry governance.

100. The relevant Minister's key responsibilities under Gas Act are:

- recommending gas safety regulations, market governance and operation, enforcement, the industry levy, and certain consumer issues
- recommending approval of the industry co-regulator, currently GIC, and appointing the Gas Rulings Panel
- accepting or rejecting GIC recommendations to change industry rules
- granting gas operator status to gas distributors by Gazette notice, which confers land access powers in relation to roads and rail crossings, as well as imposing responsibilities on them and
- approving Gas Codes of Practice which are developed by WorkSafe New Zealand.

101. The Gas (Safety and Measurement) Regulations 2010 are made under the Gas Act and incorporate numerous standards. The relevant Minister will be advised on any proposed amendments when standards are updated or replaced in the same manner as with the Electricity (Safety) Regulations.

102. The Gas Act also intersects with the Workplace Relations and Safety portfolio, which covers the administration of work health and safety and WorkSafe New Zealand.

Statutory bodies

103. Depending on the division of responsibilities between you and the Minister for Energy, you might be responsible for the Gas Rulings Panel. The Gas Rulings Panel is the final arbiter of disputes arising from activities under gas governance rules and regulations. The Panel will approve or reject settlements recommended following investigation, determine unresolved matters and make orders, including remedies and penalties. The Panel is appointed by the relevant Minister following nomination by the Gas Industry Company.

104. The current Panel is Miriam Dean CNZM KC.

Gas Industry Company (GIC)

105. The GIC is the private industry body that co-regulates the gas industry with the Government under the Gas Act 1992. Under the Gas Act, the GIC has the power to recommend certain gas governance regulations to the relevant Minister who has the power to accept or reject those recommendations.

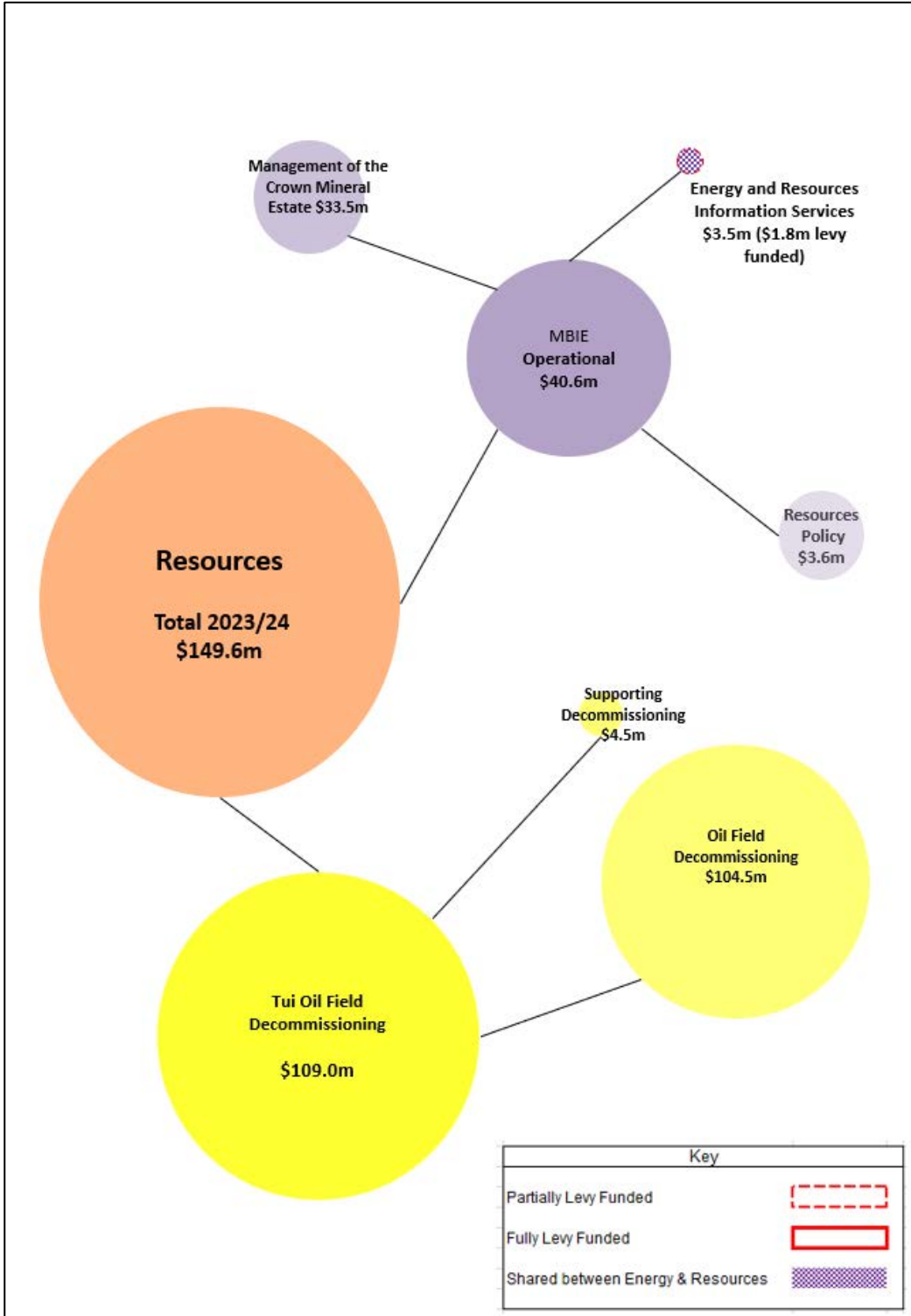
106. For certain issues, the relevant Minister may only recommend that regulations be made following a recommendation from the GIC. For others, the Minister must provide the GIC a reasonable opportunity to make a recommendation to Minister before recommending that regulations be made. These constraints on the Minister's powers are designed to capture the benefits of industry self-governance, while ensuring that there is high-level ministerial oversight. The GIC may recommend an annual levy rate through levy regulations to enable the GIC to recover its costs from the industry. In practice, the GIC recommends levy regulations every year to ensure it has sufficient funding to continue its operations.

107. Current directors on the GIC board (appointed by industry) are: Rt Hon James (Jim) Bolger (Chair), Robin Hill (Deputy Chair), Andrew Brown, Sam Elder, Babu Bahirathan, Mike Fuge and Paul Goodeve. The Chief Executive is Andrew Knight. You do not have a role in appointing members of the GIC board.

Funds and appropriations

The Resources portfolio is funded under Vote Business, Science and Innovation

108. The diagram below sets out the Budget 2023 appropriation for the Resources portfolio. This captures both departmental funding (funding received by MBIE to provide services directly) and non-departmental funding (funding provided through MBIE to other agencies for them to provide services).



Funding returned after 2023/24 Estimates production

109. Through a recent savings exercise, the previous Energy and Resources Portfolio agreed to reduce an in-principle expense transfer from 2022/23 to 2023/24 by \$1.000m for the Crown Mineral Estate appropriation, \$0.500m from the Policy Advice – Energy and Resources appropriation and \$2.000m from the Supporting Decommissioning of Oil Fields appropriation.

Crown Mineral Estate (CME) memorandum account

110. The CME memorandum account was established in 2006 to manage short- to medium-term fluctuations in annual surpluses or deficits associated with permit allocation and monitoring ongoing regulatory compliance.

111. In recent years the balance of the memorandum account has fluctuated, but revenues associated with these activities have declined. At the same time, expenses and inflationary pressures are expected to increase. While a cost pressure bid was successful in Budget 2022, this is time-limited until 2026/27 meaning a decline in the memorandum account balance is anticipated. Constitutional conventions

[Redacted text block]

5. How MBIE assists you

112. MBIE provides a range of support and advice to you in your role as the Minister for Resources. This includes but is not limited to:

- resource sector policy advice
- advice to assist you in fulfilling your legislative responsibilities under the CMA
- acting as the Regulator and delegated decision-maker under the petroleum and minerals regime
- management of appropriations within Vote Business, Science and Innovation, including the planning and prioritisation of funding, and supporting you in the annual Estimates Hearings
- supporting you in your wider Ministerial functions including advice, event briefings and speeches, Ministerial correspondence and international treaty relationships and meetings such as with the International Energy Authority (information about key international energy relationships and agreements is in Annex 4).

113. The following groups of MBIE play specific roles in the portfolio.

Energy and Resources Markets Branch

114. The Energy and Resources Markets Branch (ERM) sits within the Building, Resource and Markets Group in MBIE. We monitor and advise on the performance of New Zealand's energy and resource markets, including Crown-owned minerals, and we work to ensure that New Zealanders have access to secure, affordable and sustainable energy and resources to support people and the economy. We also regulate and administer the allocation of New Zealand's Crown-owned resources including petroleum, gold, coal and other minerals.

Data, Insights and Intelligence Branch

115. The Data, Insights and Intelligence Branch and produces annual and quarterly statistics on energy consumption, supply, emissions and price, and the energy section of New Zealand's Greenhouse Gas Inventory. The Greenhouse Gas Inventory and our annual energy releases are Tier 1 official statistics. The team also provides projections of future energy supply, demand and greenhouse gas emissions and analysis to inform decision making in the energy sector.

Links with other portfolios

116. The Resources portfolio has important links with other portfolios. We will support you in engaging with your colleagues to understand the impact of work in their portfolios on yours, and to make the most of the opportunities in your portfolio. The diagram below illustrates those links.




BRIEFING FOR INCOMING MINISTER FOR RESOURCES



Organisational leadership and structure

Key MBIE officials

117. The table below sets out the key MBIE officials who will support you in this portfolio.

Contact	Role	Contact details
<p>Carolyn Tremain</p> 	<p>Secretary for Business, Innovation and Employment</p>	<p>Privacy of natural persons</p>
<p>Paul Stocks</p> 	<p>Deputy Secretary, Building, Resources and Markets</p> <p>BRM leads policy development to ensure a fair, competitive business environment and well-functioning telecommunications, building and construction, small business, manufacturing, and resources sectors and operations. We also serve as the Government's Procurement System Leader and the Government's Property System Leader. BRM oversees many of the regulatory systems that govern Aotearoa New Zealand's markets: commerce and consumer affairs; energy markets; minerals and petroleum; energy efficiency; communications; and building performance.</p>	
<p>Justine Cannon</p> 	<p>General Manager, Energy & Resource Markets</p> <p>The Energy and Resource Markets Branch (ERM) sits within the Building and Resource Markets Group in MBIE. We monitor and advise on the performance of New Zealand's energy and resource markets, and we work to ensure that New Zealanders have access to secure, affordable and sustainable energy and resources to support people and the economy. We also regulate and administer the allocation of New Zealand's Crown-owned resources including petroleum, gold, coal and other minerals.</p>	

6. Upcoming priorities and advice

Delivering your commitments and developing a work programme for the portfolio

118. We stand ready to support you to deliver on the Government's priorities as noted at the outset of this briefing.
119. We propose an early conversation about your priorities, opportunities to refocus our existing work programme, and how we can align our resources to support you in delivery. Given the split in portfolios we also welcome further guidance from you on how Ministerial responsibilities will be apportioned.

Further briefings to you as incoming minister

120. This briefing has provided an overview of your portfolio, drawing your attention to the most pressing challenges and opportunities. We have also prepared a suite of more detailed briefings that we propose to provide to you over the coming weeks, as follows.
121. We welcome the opportunity to discuss these briefings with you and to help shape your work programme for the coming parliamentary term.

Subject	Description
Next steps for the Petroleum and Gas sector	This briefing covers the challenges and opportunities for New Zealand's oil and gas sector and potential changes to the sector, including a package of measures to improve gas security of supply to support the removal of the ban on petroleum exploration, changes to the decommissioning regime, changes to support CCUS & naturally-occurring hydrogen and other potential improvements to the CMA. We will also brief you on the removal of the ban on petroleum exploration.
Fuel resilience⁶	This briefing will provide advice on fuel resilience challenges, work underway and seek your feedback on a study into fuel security risk.
Update on Tui decommissioning	This briefing will provide you with an update on recent challenges relating to the decommissioning of the Tui oil field.
Developing a critical minerals list	This briefing will provide you with advice on possible next steps in developing a strategic approach to our mineral estate and a critical minerals list.

⁶ Depending on confirmation of Portfolio responsibilities.

Items requiring early decision

122. Depending on the allocation of responsibilities between the Resources and Energy portfolios, a number of other items of business will require your attention in the first three months of this parliamentary term. These items relate to legislative and operational commitments that are already underway.

Topic	Decision	Timing
Proposed amendment to the Gas (Critical Contingency Management) Regulations 2008.	Accept or reject the Gas Industry Company's recommendation to make an urgent change to the Gas (Critical Contingency Management) Regulations 2008. This amendment is needed to remove pressure thresholds on the gas transmission system between the Broadland (near Reporoa) and Taupo gas gates. MBIE will provide you with advice to support your decision.	November/December 2023.
Exposure draft of Fuel Industry (Fuel Resilience) Amendment Regulations December 2023.	Seeking your agreement to undertake targeted consultation on an exposure draft of regulations, which set out the record-keeping and information disclosure requirements associated with the minimum fuel stockholding obligation.	The information disclosure requirements come into effect on 1 July 2024. Industry needs enough lead-in time to ensure participants have systems in place before the requirements take effect.
Confidential advice to Government		
Next steps on outstanding applications	Seeking direction on some outstanding applications being managed by New Zealand Petroleum and Minerals.	We will brief you in December 2023.

Annex 1: Key resources sector data

Why the sector matters

- 

\$921 million
Value of oil and gas exports in 2022
- 

\$1.03 billion
Value of mineral exports in 2022
- 

\$1.9 billion
The value minerals and petroleum contributed to GDP March 2020-2021
- 

6,250 people
Directly employed in the sector
- 

\$113,000
Average income in the sector compared to \$70,000 for all sectors
- 

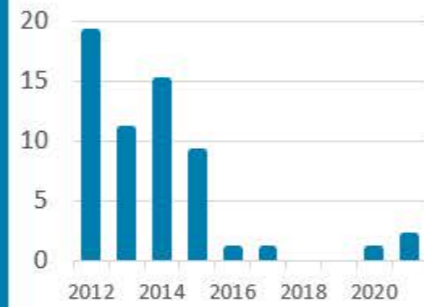
\$236 million
Crown revenue from petroleum and minerals (2022-2023)

Data on this A3 sourced from

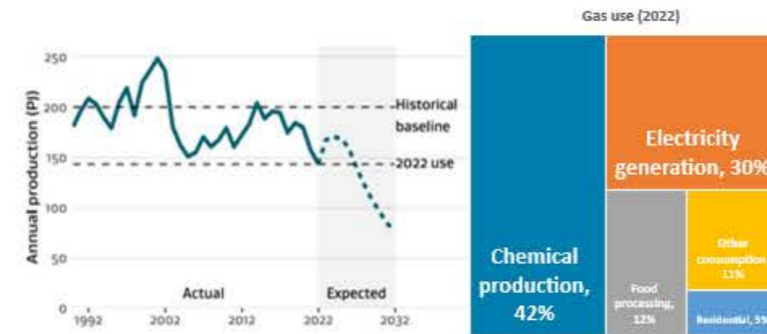
- [MBIE Energy in New Zealand 2023](#)
- [NZP&M statistics](#)
- [Stats NZ](#)

Petroleum and coal

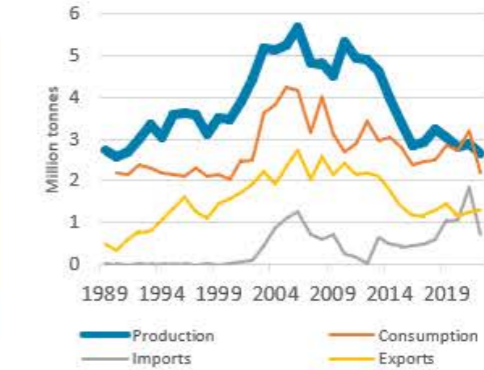
The number of petroleum exploration permits granted is decreasing



Gas production may peak in 2024, but gas remains important for our electricity system and for some industries

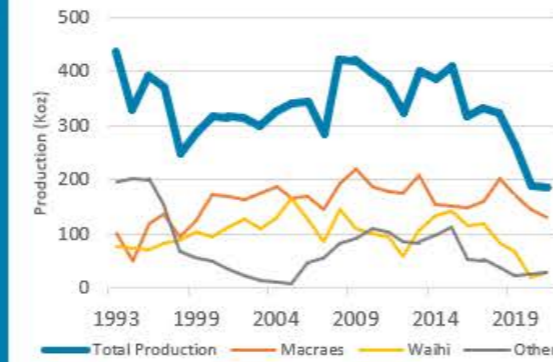


Coal production is at its lowest point in 33 years

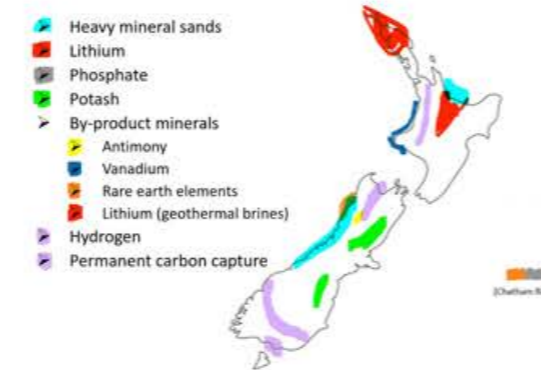


Other minerals

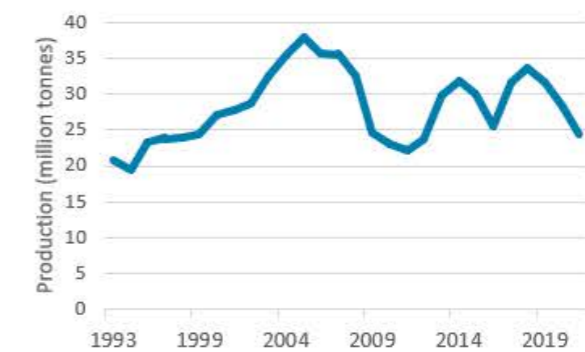
Gold is a significant export with 85% of production currently coming from two mines



New Zealand has high value and clean tech mineral opportunities
Image: Areas with active permits and areas of development of privately owned minerals

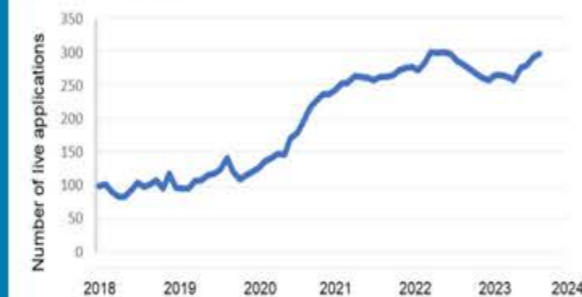


Local sources of aggregate are essential but supply from new sources is constrained
Costs are highly dependent on freight distance

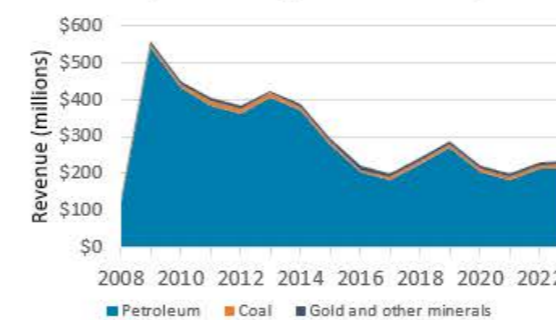


The regulator - New Zealand Petroleum and Minerals

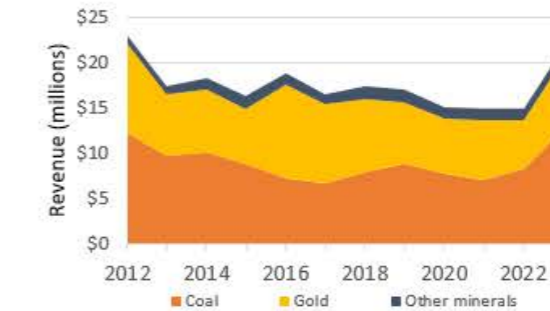
The minerals application queue is substantial
A rise in applications, mostly for Tier 2 alluvial gold permits, has created a backlog.



Government revenue from the sector was \$236 million in 2022-23
This includes royalties and energy resources levies on gas and coal



Government revenue from minerals (other than petroleum) was \$21 million in 2022-23
This includes royalties and energy resource levies on private coal



Annex 2: Other relevant legislation

Key legislation is set out in Section 4. Other relevant legislation to your portfolio is set out below.

Atomic Energy Act 1945: sets out the regulatory framework for the means of producing atomic energy in New Zealand, including the mining of uranium and other substances that may be used for the production of atomic energy.

Energy Companies Act 1992: provided for the formation of energy companies, the vesting in such companies of the undertakings of electric power boards and the electricity and gas undertakings of local authorities, and the dissolution of electric power boards. Most provisions are spent but some relating to corporate governance remain active.

Energy (Fuels, Levies and References) Act 1989: provides for the regulation of engine fuel quality and the recovery of costs through levies for activities undertaken by the Crown in relation to electricity, gas and engine fuels. This includes safety activities, EECA's activities and the cost of meeting international oil stocks obligations.

Energy Resources Levy Act 1976: imposes a levy on the production of opencast coal and natural gas produced from discoveries made before 1 January 1986.

Ngai Tahu (Pounamu Vesting) Act 1997: formally made Te Runanga o Ngāi Tahu responsible for the ownership and management of pounamu.

Petroleum Demand Restraint Act 1981: authorises regulation-making for the purpose of restraining demand, reducing consumption or ensuring the equitable distribution of processed petroleum products if they are, or are likely to be, in short supply.

Annex 3: Boards that may fall within the Resources portfolio

Gas Rulings Panel

Depending on the division of portfolio responsibilities with the Minister for Energy, the Gas Rulings Panel may fall under your portfolio.

The functions of the Gas Rulings Panel are to:

- determine, in accordance with the Gas Governance (Compliance) Regulations 2008, whether a participant has committed a breach of the Rules
- propose to the Gas Industry Company that it recommend to the Minister a change to any regulation or rule that the Panel considers, in the course of considering any matter, to be necessary or desirable and
- do anything else referred to in the Act or the regulations.

The Panel will approve or reject settlements recommended following investigation, determine unresolved matters and make orders including remedies and penalties.

Name	Date of original appointment	Expiry date of present term
Miriam Dean	29/08/2022	28/08/2027

Annex 4: Key international energy relationships and agreements

MBIE supports international energy engagements on the Government's behalf.

International Energy Agency (IEA)

The IEA is an autonomous agency within the Organisation for Economic Co-operation and Development (OECD) and is New Zealand's principal international energy relationship.

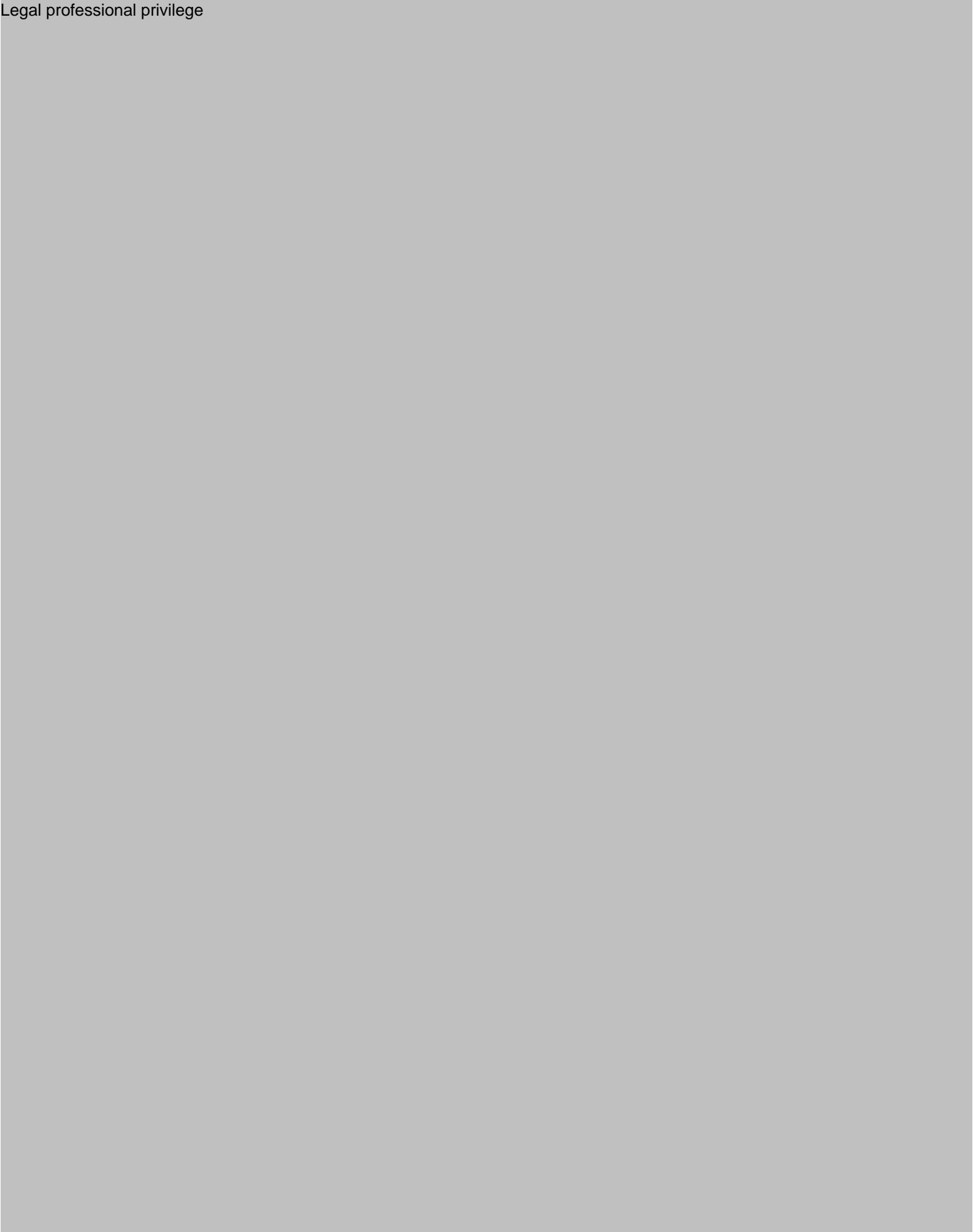
It was established following the 1973/1974 oil crisis to implement measures to mitigate the risks of future oil supply disruptions. Ministerial meetings are two-yearly and the next meeting is in mid-February 2024.

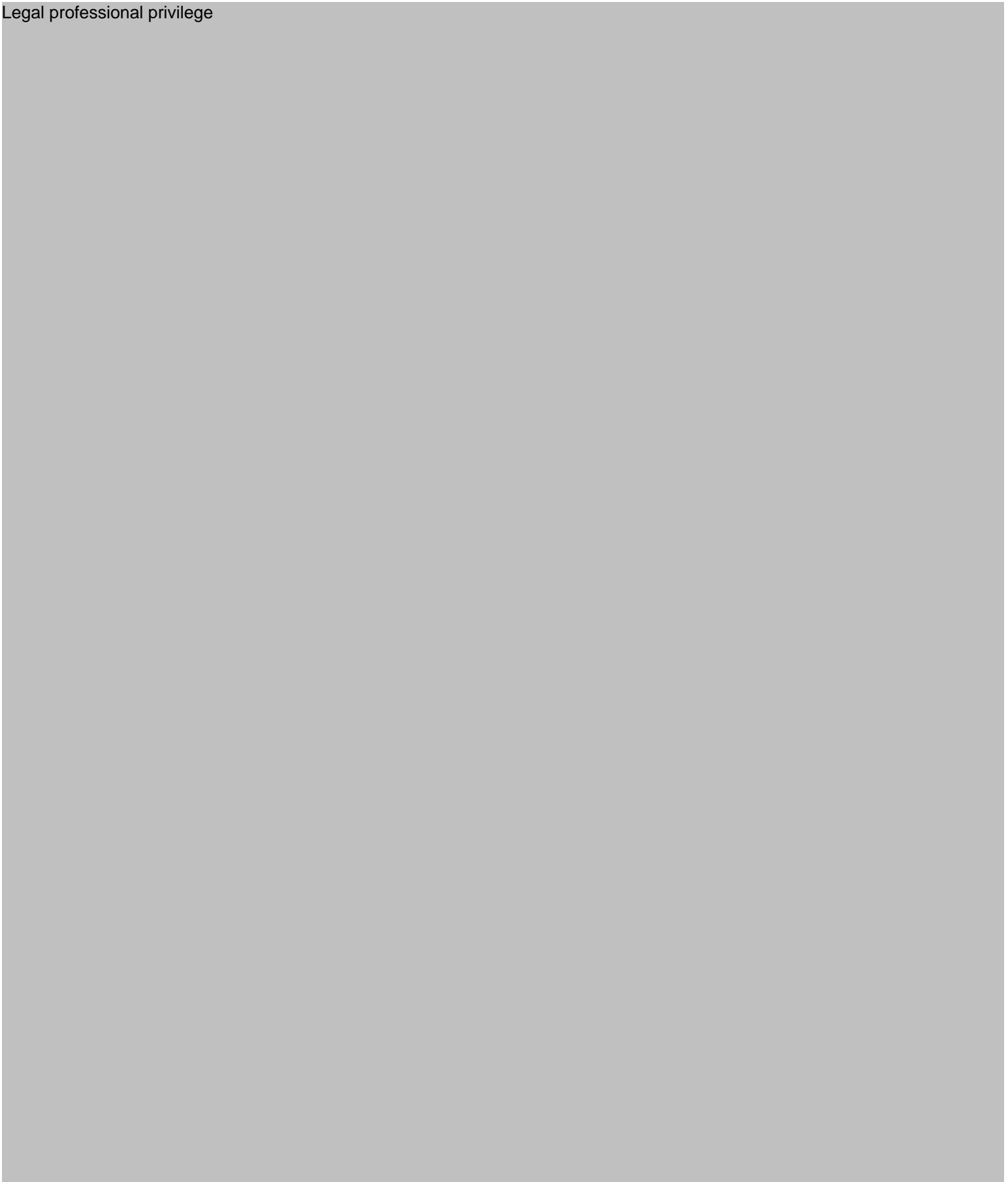
As a member of the IEA and signatory to its founding treaty, the International Energy Programme (IEP), we are expected to attend quarterly meetings of the IEA Governing Board (and other committees) and are required to hold petroleum reserves equivalent to 90 days of net imports. We currently comply with the oil stocks obligation by augmenting commercial domestic stocks with bilateral treaties/agreements to hold stock in other IEA countries, such as the Netherlands, Spain and Denmark.

In time of "oil crisis" or "shortfall" the IEA may declare an emergency requiring the release of oil stocks. The release decision is made by a meeting of IEA member Ministers following advice from the IEA Governing Board. The most recent use of this mechanism was the release of oil stocks on two occasions following the initial invasion of the Ukraine. New Zealand released oil stocks held in Europe on both occasions.

While the organisation was initially formed to manage world oil security, in recent years the IEA has repositioned itself as a key independent energy advocate and advisor in the transition to a low-carbon future, and is the current secretariat for the Clean Energy Ministerial (CEM).

Legal professional privilege

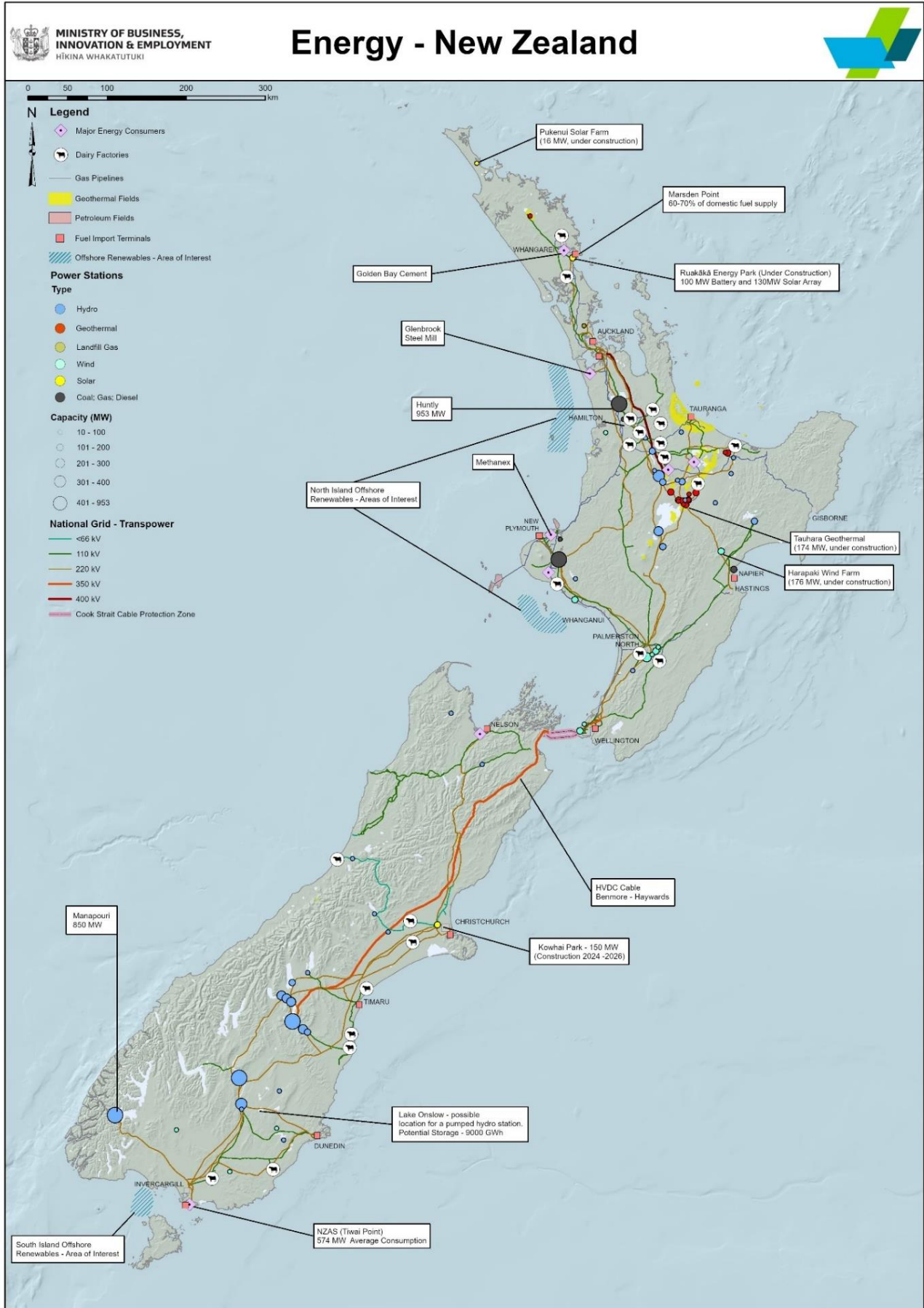




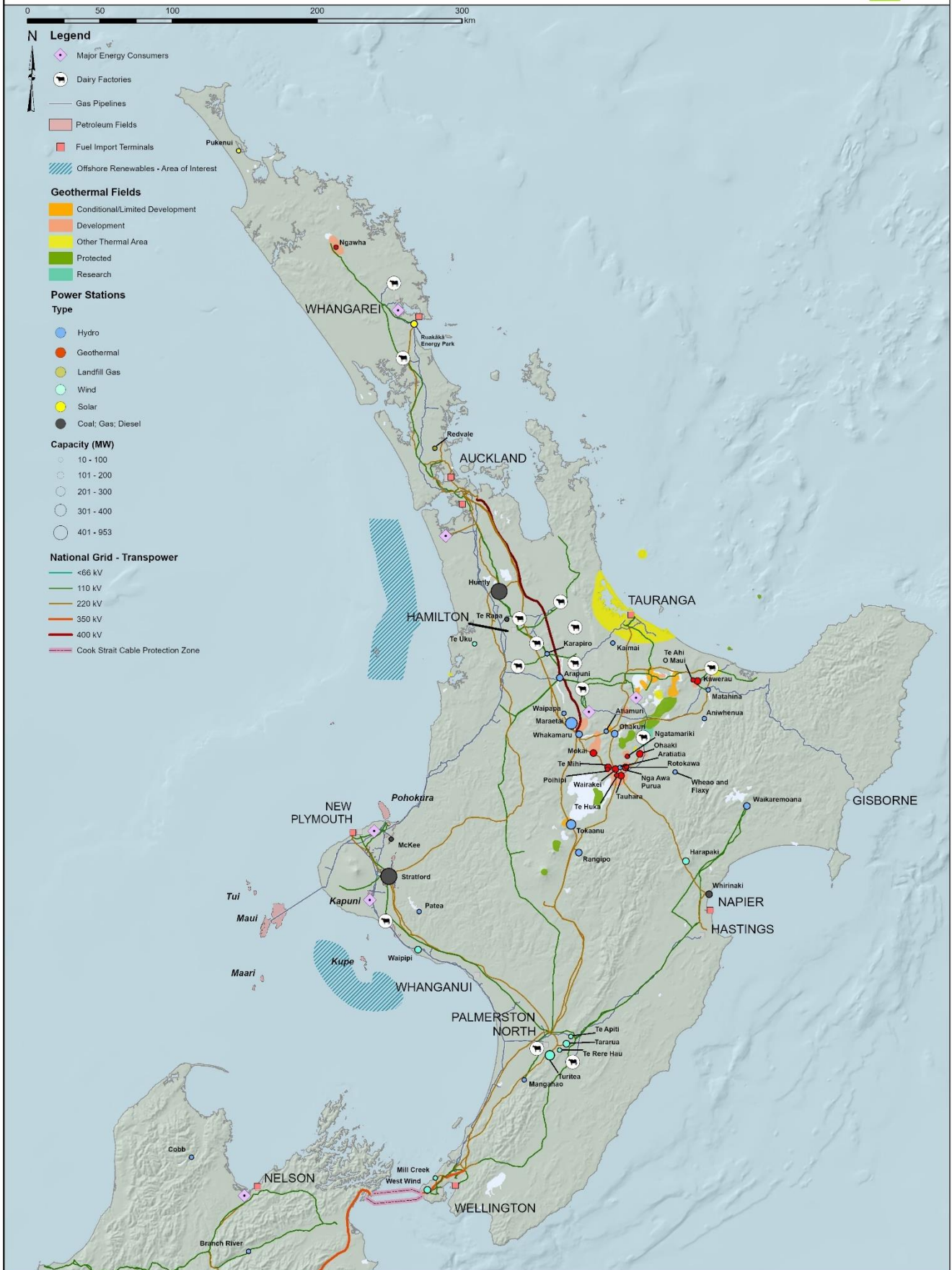
Legal professional privilege



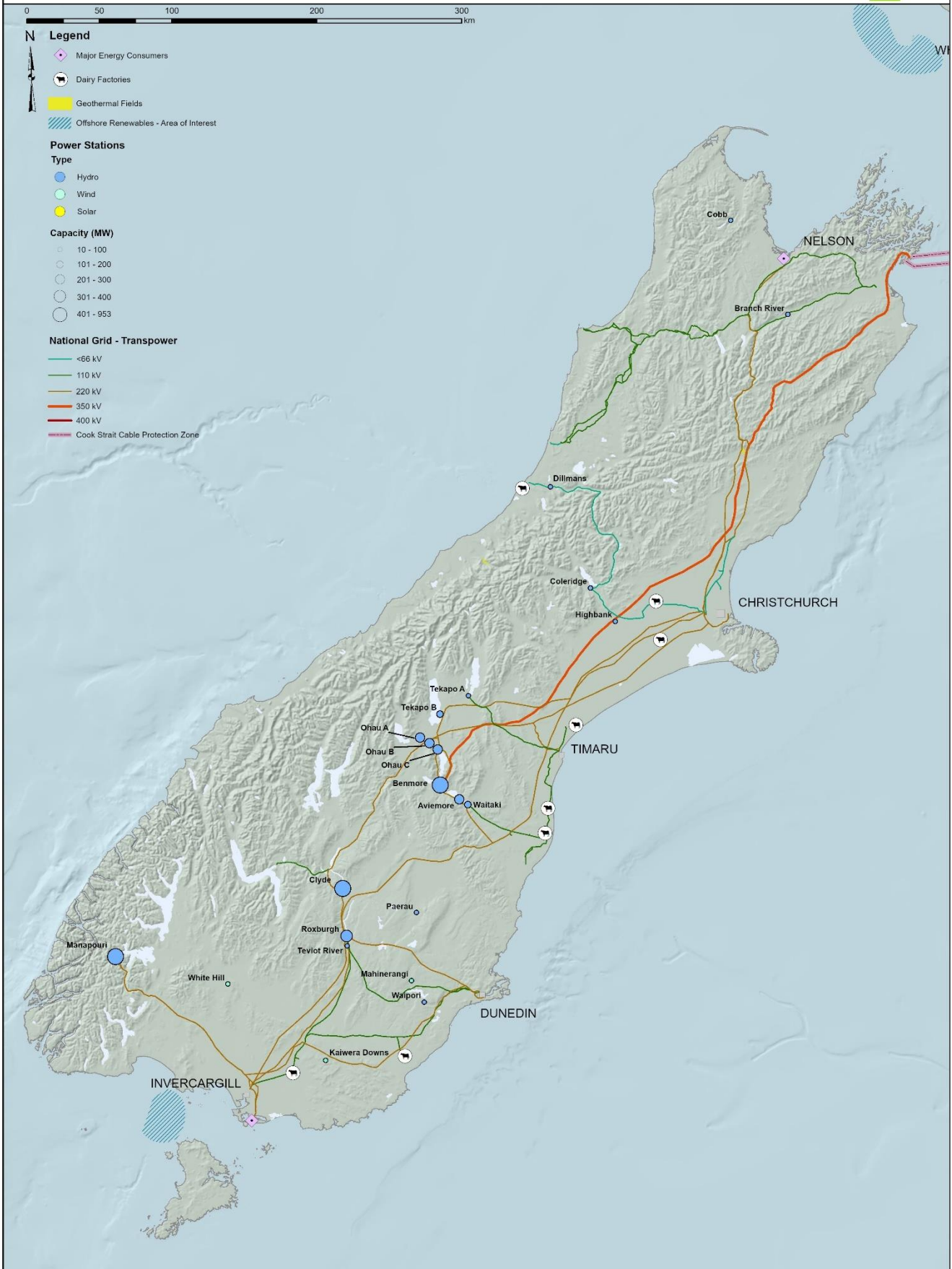
Annex 6: A geospatial view of New Zealand's Energy and Resources



Energy - North Island



Energy - South Island



Crown Minerals Estate - Tier 1 Permits

Permits and Applications as at 12 September 2023

