Submitter information

The Ministry of Business, Innovation and Employment (MBIE) would appreciate if you would provide some information about yourself. If you choose to provide information in the "About you" section below it will be used to help MBIE understand the impact of our proposals on different occupational groups. Any information you provide will be stored securely.

Α.	About you		
	Name:	Lin Roberts	
	Email address:	Privacy of natural persons	
В.	Are you happy for MBIE to contact you if we have questions about your submission? \square Yes \square No		
C.	Are you making this submission on behalf of a business or organisation? \Box Yes x No		
	If yes, please tell us the title of your company/organisation:		
D.	 Academic/researc Consultant (please Tradesperson (ple Industry group (please) 	e specify below) ase specify below)	 Independent expert (please specify below) Business owner (please specify below) Student (please specify below) Other (please specify below) Prefer not to say
	Recently retired with experience in science, public policy, management, governance, tertiary education and business consulting.		

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A Minerals Strategy for New Zealand to 2040

MBIE is developing a *Minerals Strategy for New Zealand to 2040* to enable us to take a long-term, strategic approach to how we develop our mineral resources. This does not include petroleum which already has an advanced regulatory regime.

Minerals play an essential role in New Zealand's economic growth through high-paying jobs, Crown royalties, direct positive impact in the regions where mining takes place, and through export revenues. Minerals are also critical inputs into products that are necessary for other sectors to thrive, including the use of aggregates in construction and infrastructure.

Minerals will continue to play a major role in New Zealand's export-led economic growth and contribute to our economic functions, but the minerals sector faces some risks and challenges. These include lack of complete understanding about our minerals ecosystem, supply risks, social license, and a regulatory system that needs to be improved to enable investments.

These challenges require a long-term strategic approach to ensure that resource development for our economic prosperity happens in a responsible manner. Developing a minerals strategy is a fundamental first step in ensuring that we have a strategic framework for resource production.

The Minerals Strategy Discussion Document seeks feedback on the context and design of the strategy. It discusses key strategic issues, challenges and opportunities facing the minerals sector in New Zealand, and how we could address them.

The strategy is built on three key pillars, **Enhancing prosperity for New Zealanders**, **Demonstrating the sector's value**, and **Delivering minerals for a clean energy transition**, and identifies specific actions the Government could take to position the minerals sector to deliver value in an environmentally responsible manner.

Please see the Minerals Strategy Discussion Document for more information.

Questions for the consultation

 Are the strategic pillars of the Draft Strategy (Enhancing prosperity for New Zealanders, Demonstrating the sector's value, and Delivering minerals for a clean energy transition) suitable or is there more we need to consider?

 \Box Yes, they are suitable \Box No, they are not suitable \Box Not sure/no preference

Is there anything you would like to tell us about the reason(s) for your choice? Or is there more we need to consider?

The first pillar (Enhancing prosperity for New Zealanders) sounds good but it all depends on how prosperity in interpreted and by whom. Page 10 of the discussion document reveals that the authors consider the only factors of concern are regulatory efficiency and economic value – ie a very narrow and warped view of what is involved in prosperity.

NZ Treasury is among many organisations that have spent some years digging further into what is needed for wellbeing and sustainable prosperity – MBIE would benefit strongly from looking at some of this research and developing a deeper broader understanding of what prosperity involves. Similarly Prof Tim Jackson's publication for the UK Sustainable Development Commission (*Prosperity without Growth*) exposes the flaws in the assumptions behind this strategy – that all growth is good. Sustainable prosperity is dependent on sustaining the natural system on which the economy and humanity is entirely

dependent – yet the indicators on p10 for assessing whether New Zealanders prosperity is being enhanced make no mention at all of environment or social wellbeing. At a minimum, this pillar requires an explanatory statement that explains that sustainable prosperity is related to environmental, social and economic wellbeing, and the indicators must be expanded to include assessments of impacts on natural and social capital

The second pillar (Demonstrating the sector's value) is where currently assessment of social and environmental impacts are considered, but the focus seems to be entirely on benefits - ie the mindset is preset that the sector has value, rather than an making an unbiased assessment of whether the benefits outweigh the costs. It is irresponsible for the Strategy to ignore the potential downsides of mining, and it is essential that both sides of the ledger - the positive and the negative impacts of mining - are assessed. Annual benchmarking should also be undertaken of environmental degradation associated with mining activities, including toxic tailings, waterway pollution, habitat loss, and biodiversity loss, along with social impacts. The latter will include not only health & safety, but should also consider the range of impacts on communities, including the social cost of locking in communities into high risk dying industries like coal and the opportunity cost of not providing realistic options for a just transition away from extractive industries. This pillar should be reframed to "Assessing the sector's contribution", and requires a clear evidence-based framework for what costs and benefits will be assessed and how these costs and benefits will be weighed up.

The third pillar (Delivering minerals for a clean energy transition) should be reframed to **'Ensuring that minerals support a clean energy transition**'. The Strategy is ambiguous as to whether it includes coal, although changes to the consenting pathways for coal (action 3(b) of the Strategy) and repeated references to coal suggest that it is.

Providing for new coal mining is inconsistent with New Zealand's climate change commitments and emissions reduction targets, budgets and plans. New Zealand needs to reduce its reliance on coal while developing renewable alternatives to meet long-term emissions targets.

To the extent that coal is included within scope of the Strategy, it does not promote this necessary transition away from a reliance on fossil fuels. Indeed, it does the opposite by providing for long-term increased extraction and consumption of coal. Coal mining needs to be clearly removed from the scope of the Strategy.

Also it should be noted that just because a mineral may be viewed as important for to help humanity to transition aware from fossil fuel dependence, this should not give them an automatic greenlight – each application requires careful due diligence to assess their potential contribution against the known negative impacts of mining.

2. Are the key actions the right ones to deliver on our strategic pillars, and are they ambitious enough?

□ Yes, the actions are the right ones and are ambitious enough
 ○ No, the actions are not the right ones and not ambitious enough
 □ Not sure/no preference

If No, what else might we need to consider?

The answer options to this question imply predetermination that the strategic pillars are correct and desirable – as stated above, all require further explanation or rephrasing.

I think the actions do not achieve the strategic pillars of enhancing the prosperity of NZers, (much more broadly understood) or supporting a clean energy transition.

1. Improve data on New Zealand's mineral resources

I am general in favour of gaining a greater understanding of our country's geology (Action 1(a), and in better data collection about current mineral production (Action 1b) (particularly in context of improving Government royalty revenue (see below).

However I do not endorse Action 1(c) or Action 1(d).

Action 1 (c) has an implicit assumption that all growth is good and that benefits of mining growth will outweigh the collective costs – until there is evidence to back this proposition, this workstream should be postponed.

Action 1(d) seeks to find out more about deep-sea minerals and assess their potential extraction. Indications of this potential are provided in the Strategy's map of new minerals opportunities, where various mineral resources are shown in the coastal environment and offshore at Chatham Rise.

I do not support seabed mining within NZ territorial waters or beyond. Since 2022, the NZ Government has supported the moratorium on deep sea mining in areas beyond national jurisdiction, recognising the need for adequate knowledge and understanding of the impacts involved. https://www.beehive.govt.nz/release/nz-backs-conditional-moratorium-seabed-mining-international-waters

The ocean is also our world's largest carbon sink, absorbing 25 percent of all carbon dioxide emissions and absorbing 90 percent of the excess heat generated by these emissions. However, due to marine biodiversity loss from plastic pollution, warming waters, ocean acidification (due to excess CO2 absorption), shipping, and cruise ships, the ocean is losing its ability to do most of the work of climate action for us. Seabed mining, which we know will massively damage the marine ecosystems, will further devastate the ocean's ability to sequester carbon, with extremely negative impacts on global warming. New Zealand must contribute to restoring ocean health, not exacerbate it.

In particular I do not support mineral extraction in circumstances where independent decision-makers, including the Courts, have declined consent because of environmental impacts. Seabed mining by Trans-Tasman Resources in Taranaki is a live example. The local hapū and iwi are strongly against seabed mining., and a government that honours Te Tiriti would respect the views of these custodians. Seabed mining threatens the ability of the marine environments to provide kaimoana and support fisheries. The Strategy and its critical minerals list should also not be used as a justification for mining in sensitive marine environments such as the Kermadec Arc.

Amend action 1(d): "We will find out more about deep-seabed minerals and assess the challenges and opportunities of extracting them, <u>except in high value marine environments</u> and where independent decision-makers have already declined consent."

2. Ensure secure, affordable and responsible access to the minerals we need and

3. Develop a more enduring, efficient and responsible regulatory framework

Actions 2 (a) and 2(b) ("develop a list of critical minerals that are key to our economic needs and strategic interests" and "identify when and where supply risk for critical minerals exists, so that we can take action to reduce vulnerability") make sense.

However **Action 2 (c)** is based on the unrealistic assumption that New Zealand ever could be self-sufficient in any of these materials. To quote Professor Barry Barton (<u>Having a</u>)

minerals strategy is one thing, being competitive is another): "Let's say copper or lithium is discovered in New Zealand and brought into commercial production. Where will the concentrates be smelted, processed, and refined, and then turned into batteries, mobile phones or electrical equipment? Almost certainly in other countries."

New Zealand does not host smelting and refining facilities for critical minerals (except aluminium and recycling scrap), so any production of critical minerals from New Zealand mines would almost certainly be exported to overseas processors and would move from them to overseas manufacturers.

Actions 2(c), 3(a) and 3(b):

Given that mining is indisputably a high risk industry with potentially significant adverse effects on the environment, as well as having one of the highest injury and fatality rates of any sector, **I strongly oppose changes to the regulatory framework for mining activities that would make it easier to obtain consent**, as is proposed in **Actions 2(c)**, **3(a) and 3(b)**. The Fast-track Approvals Bill is in no way necessary for a safe, productive, high-value minerals sector.

I strongly support what Environmental Defence Society had said on this matter, so I quote here from paragraphs 12-19 of their submission:

"12. To foster confidence in the sector (action 6 of the Strategy), and maintain New Zealand's high standards and reputation for transparency to ensure access to international trade (see section "we need to make informed choices about how we wish to develop our minerals"), consent processes must remain rigorous. Climate change, electrification, and the shift to a net-zero economy do not justify environmental damage.

13. The Strategy refers to mining having a "light touch" on the environment, managing environmental impacts to the "highest standard" and that mining "will not come at the expense of environmental outcomes".

14. These assurances ring hollow, and EDS has no comfort that changes to the regulatory regime as signalled in the Strategy will achieve these environmental outcomes, given:

a. The one-stop shop fast-track approvals regime currently proposed in the Fast-Track Approvals Bill is not evidence-based, places decision-making in the hands of 3 development Ministers, has a purpose that is focused exclusively on economic imperatives, overrides prohibited activities and Water Conservation Orders, subserviates sustainable management and RMA policy and plans below development considerations and largely excludes the public.

b. Changes currently proposed in the Resource Management (Freshwater and Other Matters) Amendment Bill 2024:

i. Remove the requirement to have regard to prioritising the health and wellbeing of water bodies and freshwater ecosystems when process resource consent applications.

ii. Suspend the requirement for Councils to identify Significant Natural Areas (SNAs). A nation-wide stocktake of indigenous biodiversity is essential to understanding the state of species, habitats and ecosystems. Key government priorities, such as that outlined in the Strategy, cannot be effectively implemented without this knowledge. How can one assess whether mining will not come at the expense of the environment in the absence of information and data on indigenous biodiversity?

iii. Undermine current protections for SNAs by enabling coal mining despite:

- Loss of ecosystem representation and extent.
- Disruption to sequences, mosaics, or ecosystem function.
- Fragmentation of SNAs or the loss of buffers or connections within an

SNA.

• A reduction in the function of the SNA as a buffer or connection to other important habitats or ecosystems.

• A reduction in the population size or occupancy of threatened or at risk (declining) species that use an SNA for any part of their life cycle.

15. Credible mining operators do not need an accelerated or easier approvals regime. They are skilled at navigating the regulatory frameworks necessary for the operations that they know affect multiple public interests, whether environmental, social, economic, health and safety, or heritage.

16. In jurisdictions where one-stop shop procedures have been attempted, mining companies have reported frustration in not being able to talk directly with the officials responsible for the different aspects of the approval. EDS and many others, including the Parliamentary Commissioner for the Environment, have stated that the Fast-track Approvals process will be slower than existing RMA fast-track procedures, which are working satisfactorily.

17. New Zealand's regulatory settings for mining are already favourable compared to many other competing jurisdictions. New Zealand should not alter its regulatory framework to please companies that have lower levels of skill in managing the regulatory and environmental dimensions of mining; we should concentrate on remaining attractive to companies that bring best practice to New Zealand in all their work.

18. EDS does not therefore support preferential pathways for development, including via the Fast-track Approvals Bill and amendments to the RMA and national direction. We submit that these actions should be amended or deleted as set out below. Any improvements to the RMA should be done at the broader scale, and seek to establish a durable resource management system, rather than targeted edits to better enable one industry.

19. Finally, EDS submits that the Strategy should not focus unduly on consenting, which is only one part of the resource management system. Another essential part is policies, plans, and strategies, including national direction. We agree that greater levels of national direction are important. Another essential part is the continuing relationship between regulators (regional councils, primarily) and the consent-holder. The RMA needs to include more sophisticated tools to facilitate the ongoing relationship. Part of it is effective compliance, monitoring, and enforcement, and part of it is room for parties to adjust the parameters of the project as time goes on, such as in adaptive management.

Amend action 2(c): "We will explore how minerals listed as critical could be provided with preferential pathways for development <u>outside of areas with high environmental values</u>."

Delete actions 3 (a) and 3 (b).

Action 3 (c): I support the intent of this proposed action - regulatory changes that grow the minerals sector should protect Treaty settlements. They should, however, go further, to enhance Treaty relationships and other non-Treaty relationships between Māori and the Crown.

Action 3 (d): I oppose this proposed action which seeks to maintain current permitting and access arrangement settings in relation to public conservation land. The current permitting and access arrangement settings for public conservation land, especially stewardship land, need considerable improvement to provide clarity and proper protection of conservation and environmental values. Of the conservation estate, Schedule 4 lands are well protected, but they account for only 40% of the total. Another 30%, about 2.7 million ha, are in the category of stewardship land.

Stewardship land has been treated as a 'holding pen' for Crown lands not otherwise classified, and the assumption has grown that it has low conservation value. **This is not correct**; much of it has exceptional ecological and landscape value, and deserves higher levels of protection. For example lands that were specially selected by the Nature Heritage Fund or through the high-country tenure review process, because of their outstanding environmental values, still remain classified as stewardship land.

The process of reviewing and reclassifying stewardship land has barely moved in thirty years. In 2022, a review of West Coast stewardship land commenced, but that is now languishing. That review should be completed. It would remove a great deal of uncertainty, and would provide proper protection of public conservation land.

Until stewardship land reviews are completed, I submit that there should be no access to stewardship land for mining purposes.

Further, the Crown Minerals Act 1991 needs amendment so that access arrangements are decided by the Minister of Conservation, with an arrangement only being granted if it is not inconsistent with the factors identified in conservation legislation. The Act should be amended to this end.

Finally, the regime for access arrangements for Crown minerals on private land must be part of the picture, and not dropped from sight. At present the ownership of minerals on private land is difficult to ascertain, and the access arrangement provisions of the Crown Minerals Act are exceedingly cumbersome and obscure. The result is an undue focus on public lands for mineral exploration, often with much more severe environmental risks than there would be on private lands currently used for agriculture or plantation forestry.

Amend action 3(d): "We will progress review of stewardship land before deciding on maintain current permitting and access arrangement settings in relation to public conservation land."

Add action 3(g): "We will amend the Crown Minerals Act 1991 so that access arrangements are decided by the Minister of Conservation, based on factors identified in conservation legislation."

Action 4: I generally support. These are appropriate government functions.

Action 5: I strongly support actions which help establish a more circular system for mineral recovery, reuse and recycling. The vast majority of the environmental damage and energy consumption in the minerals system occurs at the mining end, so having a one-way resource system that requires us to continually go back to the land and extract virgin material is the most inefficient and damaging way we could set up the system. To keep products and material in service for as long as possible will require some technical innovation, but very importantly will require educations, behavioural, commercial and regulatory measures. Much more recycling would be occurring now if disposal of good materials was not so cheap.

Much work towards a circular economy is currently happening at local council level and at the Ministry for the Environment under the Waste Minimisation Act 2008 – any minerals strategy will be strengthened if it is clearly linked to The Waste Strategy/Te rautaki para (2023) and other circular economy policy activity.

Action 6: I generally support, in particular Action 6 (d). The present state of monitoring of social, environmental and community effects of activities is unsatisfactory and requires strengthening. Environmental monitoring has often been neglected and unfunded, so policy action that will improve it is highly desirable.

To be credible, a system of monitoring must be independent and objective. Its design (what gets monitored), its execution (who does it, who manages it) and its reporting (how it is communicated) must all be beyond reproach.

Action 7: The case has not been made that the benefits of increasing the scale and pace of development will outweigh the significant costs, so I do not support 7(a). I do however support &(b) and 7(c).

Global brands (such as Apple) are coming under increasing pressure to demonstrate that materials they use come from operations that do not cause environmental and social harm. New Zealand must be ready to face close scrutiny of its environmental regulation of mining operations, and must avoid any slippage in its environmental performance. Otherwise, companies exporting minerals from New Zealand can expect to be dropped from the supply chains that are being influenced by leading global corporations.

3. Are there opportunities for our minerals sector we haven't considered?

□ Not sure/no preference

If Yes, what are the opportunities for our minerals sectors we should consider?

Royalties are not mentioned in the Strategy. The Strategy should include a review of royalty amounts to ensure that New Zealand is getting an appropriate return on its minerals.

4. Are there challenges for our minerals sector we haven't considered?

 \boxtimes Yes, there are other challenges not considered

□ No, all challenges have been considered

□ Not sure/no preference

Is there anything you would like to tell us about the reason(s) for your choice?

Environmental impacts, human health impacts, legal challenges, land ownership challenges, royalties

5. Are there any other things we have missed that we should include, or things we should not include?

These things could be economic/financial, environmental, health and safety related, or other areas.

We should not be locking our economy into being reliant on mining, and especially not fossil fuel expansion in the form of new coal mines. There are always other options for decentralised regional income.

Conservation lands should be protected from all mining for their biodiversity values and ecosystem services

Thanks for your feedback, we really appreciate your insight. It helps us establish a long-term strategic approach to ensure that resource development for our economic prosperity happens in a responsible manner.

To help us continue to develop a Minerals Strategy for New Zealand to 2040, we would appreciate any additional suggestions or comments you may have.

Please leave your feedback here:

Above all, the Fast-track Approvals Bill must be dropped. This bill is actively harmful for all sectors, mining included. Placing so much power in the hands of three Ministers exposes New Zealand politicians to the temptation of corruption, which would potentially cause lasting damage to NZ's international reputation, and opens up workers and mining regions to exploitation from overseas corporations, with no opportunity for input from local communities, let alone the environmental, social, and public health impacts of some of the proposed projects.

An effective, long-lasting, sustainable, and robust mineral strategy should not rely on antidemocratic legislation like the Fast-track Approvals Bill.