

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.

A. About you

Name: Joanne Mahon

Email address: Privacy of natural persons

B. Are you happy for MBIE to contact you if we have questions about your submission?

Yes

No

C. Are you making this submission on behalf of a business or organisation?

Yes

No

If yes, please tell us the title of your company/organisation:

Ballance Agri-Nutrients (Ballance)

D. The best way to describe your role is:

Academic/researcher/research institute

Independent expert (please specify below)

Community group (please specify below)

Business owner (please specify below)

Consultant (please specify below)

Environmental NGO (please specify below)

Tradesperson (please specify below)

Student (please specify below)

Industry group (please specify below)

Other (please specify below)

Industry participant (please specify below)

Prefer not to say

Please specify here:

Ballance is the country's largest farmer-owned co-operative. It produces and supplies half of all of the country's soil nutrients which support farmers and primary producers, rural communities, and the national export economy. Ballance manages complex domestic and international supply chains to ensure the secure and reliable supply of critical soil nutrients to New Zealand.

E. Privacy information

- The Privacy Act 2020 applies to submissions. Please check the box if you do not wish your name or other personal information to be included in any information about submissions that MBIE may publish.
- MBIE may upload submissions, or a summary of submissions, received to MBIE's website at www.mbie.govt.nz. If you do not want your submission or a summary of your submission to be placed on our website, please check the box and type an explanation below:

I do not want my submission placed on MBIE's website because... [insert reasoning here]

F. Confidential information

- I would like my submission (or identifiable parts of my submission) to be kept confidential and have stated my reasons and ground under section 9 of the Official Information Act that I believe apply, for consideration by MBIE.

If you have checked this box, please tell us what parts of your submission are to be kept confidential.

A Draft Critical Minerals List for New Zealand

MBIE is developing a critical minerals list for New Zealand to identify the minerals that are:

- essential to New Zealand’s economy, national security, and technology needs, including renewable energy technologies and components to support our transition to a low emissions future; and/or
- in demand by New Zealand’s international partners to enable us to benefit from international economic opportunities, contribute to the diversification of global mineral supply chains and improve the pipeline of the end-use products for which these minerals are essential; and
- susceptible to supply disruptions domestically and internationally. In some instances, we rely on domestic sources of minerals, but the supply of these minerals can be constrained, for example by regulatory factors and social licence. Internationally, supply chain disruptions could arise due to geopolitical risks and external market forces.

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 are also essential to modern economies as they are needed to manufacture advanced technologies such as semi-conductors, defence applications and medical equipment. Minerals are also critical for a clean energy transition as low emission technologies requires more mineral inputs than those fuelled by fossil fuels.

The extraction and processing of the minerals essential to New Zealand and our international partners are concentrated in a few countries. Any disruption that interrupts operations at a large facility or group of facilities can have a major impact on supply availability, and therefore on prices. The greater the concentration of production the larger the affect a disruption can have.

In addition, New Zealand does not manufacture a wide range of technologies, we are generally an end consumer of many products produced internationally and rely on the functioning of international supply chains and their access to resilient supplies of minerals.

The development of a critical minerals list is one of the key actions identified in the draft Minerals Strategy that was publicly consulted on from 23 May – 31 July 2024. Due to the technical nature of the list, MBIE engaged a consultancy with specialist expertise, Wood Mackenzie, to support the development of the list.

We are seeking feedback on the content of the draft list that has been developed by Wood Mackenzie for New Zealand. It identifies the minerals that are critical to New Zealand and summarises the reason for their inclusion in the list. Once the list is finalised, actions could be identified to help us reduce the ‘criticality’ of those minerals, i.e., secure better access to them.

Please see the draft Critical Minerals List attached below for more information.

Questions for the consultation

1. Have we missed the inclusion of any mineral(s) on the draft Critical Minerals List?

Yes, (please provide more details below) No, the list is okay. Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?

There are some very positive elements to this initial critical minerals list. Ballance strongly supports its composition and the country taking a strategic, long-term view around its mineral requirements.

We believe there are some important areas where the scope could be widened and clearer focus brought to bear on where and how certain minerals directly contribute to the national and regional economies.

For example, perhaps the most strategically important economic driver for New Zealand is the use of minerals – and elements – as soil nutrients in agriculture. Soil nutrients – regardless of whether they are produced domestically or imported – are critical to New Zealand’s prosperity.

We welcome the inclusion of phosphorous in the critical minerals list on this basis but would like to see more explicit linking of the value of minerals to agricultural and horticultural production.

The vast majority of the country’s primary production depends upon these imported minerals, and the elements they contain, as New Zealand soils are typically deficient in these elements. Equally New Zealand largely has no significant deposits of the minerals that contain these elements. Some elements like cobalt and boron for example have concentrated reserves in few countries and so supply chain security and trade access are critical issues to consider.

Even if imported volumes seem small, they are economically significant to the crop or animal need they address. Securing strategic long-term access to the minerals that underpin our primary production-based economy are vitally important to the country’s future prosperity.

In this respect, it was very positive to see minerals like molybdenum, copper, and cobalt included in the list, but here the focus is on these minerals for use in industrial production. We would like to see agriculture and horticulture’s dependence on these minerals clearly recognised.

While macronutrients needed for plant growth – nitrogen, phosphate, potassium, sulphur – are critically important to farmers and growers, the impact on producers of interrupted supply of micro nutrients would result in reduced output more rapidly – within 12 months.

Given New Zealand’s dependence on a range of soil nutrients, Balance would like to see more focus on long-term international supply chain security, in addition to commitment to shoring up domestic production.

2. Have we included any mineral(s) that you think should not be on the list?

Yes, (please provide more details below) No, the list is okay. Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?

Ballance can only comment on its own operations and requirements. We therefore cannot comment for other sectors of the economy.

3. Do you have any further feedback on the list, or the methodology under which it was developed?

Yes, (please provide more details below) No, the list is okay. Not sure/no preference
Is there anything you would like to tell us about the reason(s) for your choice?

We support this work and the need for it to be integrated within a range of other trade and supply chain workstreams.

For example, we acknowledge that MBIE is leading work on the Indo-Pacific Framework for Prosperity with a focus on supply chains, and Ballance is pleased to be engaging with this work. It feels important that the country's minerals needs be integrated with this work.

We would like to see very clear recognition in the strategy of New Zealand's reliance on soil nutrients – regardless of how they are produced – for maintaining and growing export wealth from primary production.

Thank you

Thanks for your feedback, we really appreciate your insight on the development of New Zealand's Critical Minerals List.