



BRIEFING

Resource Strategy: Seeking agreement to the final version for publication

Date:	10 October 2019	Priority:	High
Security classification:	In Confidence	Tracking number:	1134 19-20

Action sought		
	Action sought	Deadline
Hon Dr Megan Woods Minister of Energy and Resources	<p>Note the Strategy reflects previously proposed changes and comments received from agencies.</p> <p>Agree to begin Ministerial consultation and provide feedback to MBIE by 5pm, 17 October 2019.</p> <p>Agree to lodge Cabinet paper and Strategy on 21 October 2019.</p>	14 October 2019

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Andrew McLoughlin	Acting Manager, Resource Markets Policy	Privacy of natural persons	Andrew McLoughlin
Erwin Ricketts	Senior Policy Advisor		Erwin Ricketts

The following departments/agencies have been consulted
The Treasury, Department of Prime Minister and Cabinet, Ministry for the Environment, Te Arawhiti, Ministry of Transport, Ministry for Primary Industries, Land Information New Zealand, Department of Conservation, Ministry for Foreign Affairs & Trade, Environmental Protection Agency, Maritime New Zealand and the Ministry of Housing and Urban Development

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



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Purpose

This briefing seeks your feedback and agreement to continue Ministerial consultation on the final version of *Responsibly Delivering Value - A Minerals and Petroleum Resource Strategy for Aotearoa New Zealand: 2019-2029* (the Strategy) and attached Cabinet paper.

Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** the final Strategy (subject to additional comments from Ministers) is attached in annex two and reflects proposed changes to the vision statement, clarification changes throughout, and future actions signalled in a previous briefing [0994 19-20 refers].
- Noted*
- b **Note** that comments from agency consultation have been reflected in the Strategy.
- Noted*
- c **Agree** to forward a copy of the attached Strategy and Cabinet paper to the Minister of Regional Economic Development.
- Agree / Disagree*
- d **Agree** to forward a copy of the attached Strategy and Cabinet paper to the Minister of Conservation.
- Agree / Disagree*
- e **Agree** to forward a copy of the attached Strategy and Cabinet paper to the Minister for the Environment.
- Agree / Disagree*
- f **Agree** to forward a copy of the attached Strategy and Cabinet paper to the Minister of Māori Crown Relations.
- Agree / Disagree*
- g **Agree** to forward a copy of the attached Strategy and Cabinet paper to the Minister of Economic Development.
- Agree / Disagree*

h **Agree** to forward a copy of the attached Strategy and Cabinet paper to the Minister of Finance.

Agree / Disagree

i **Agree** to provide Ministerial comments on the Strategy and Cabinet paper to MBIE by 5pm, 17 October 2019.

Agree / Disagree

j **Agree** to lodge the attached Cabinet paper and Strategy (subject to changes resulting from Ministerial consultation) on 21 October 2019.

Agree / Disagree



Andrew McLoughlin
Acting Manager, Resource Markets Policy
Building, Resources and Markets, MBIE

.10 / .10 / 2019

Hon Dr Megan Woods
Minister of Energy and Resources

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PROACTIVELY RELEASED

Background to the Strategy Development Process

1. *Responsibly Delivering Value - A Minerals and Petroleum Resource Strategy for Aotearoa New Zealand: 2019-2029* (the Strategy) will set the Government's long term vision for the minerals and petroleum sector. It is a ten year strategy (2019-2029) that will build a sector supporting the transition to a low carbon and productive, sustainable and inclusive economy. This Strategy will inform the Tranche Two review of the Crown Minerals Act 1991 (CMA), and will guide future Government policy affecting the sector.
2. In January 2019, we provided you with the first draft overview of the Strategy [2145 18-19 refers]. On 28 February 2019, you agreed to a collaborative approach to the development of the Strategy [2147 18-19 refers]. On 13 June, we sought your agreement to circulate an early draft for comment with key stakeholders. Changes were made in response to those comments, and following agency and Ministerial consultation, the current version of the Strategy was released for public consultation [DEV-19-MIN-0220]. The Strategy was generally well received.

The final Resource Strategy is attached in Annex Two

3. On 27 September 2019, we provided you with a summary of the submissions, and proposed changes to the discussion document [0994 19-20 refers]. These changes included:
 - a. Amending the vision statement to: "A world-leading environmentally and socially responsible minerals and petroleum sector that delivers affordable and secure resources, for the benefit of current and future New Zealanders."
 - b. Commentary under the vision explaining the key terms;
 - c. A list of minor changes throughout the Strategy to improve readability and accuracy of information communicated; and
 - d. Future actions for inclusion under the six action areas of the Strategy.
4. We have since actioned these changes into the designed version of the Strategy attached in Annex Two.

Summary of Agency Feedback

5. The proposed vision statement, commentary, minor changes and future actions were circulated for feedback to: the Treasury, Department of Prime Minister and Cabinet, Ministry for the Environment, Te Arawhiti, Ministry of Transport, Ministry for Primary Industries, Land Information New Zealand, Department of Conservation, Ministry for Foreign Affairs & Trade, Environmental Protection Agency, Maritime New Zealand and the Ministry of Housing and Urban Development.
6. We invited agencies to provide us with any future actions they were undertaking to advance the Strategy in addition to some already comprehensive actions like the Resource Management Act review, but we received a nil response. Therefore, the list of future actions remains constrained to actions that are already within MBIE's work programme. Note that the list of future actions currently in the Strategy is not designed to be exhaustive and will likely expand in the future.

Most agency comments focused on clarifications

7. The Ministry for the Environment sought clarifications to the commentary we propose to include following the vision statement. We have addressed these comments and incorporated these changes in the commentary text.

8. Te Arawhiti, Treasury, and Ministry of Transport provided comments regarding the clarity of elements of the action areas. These comments have also been addressed by improving the clarity of the relevant elements of the action areas.

More 'sustainability' focused actions

9. The Department of Conservation (DoC) commented that more actions stressing sustainability themes should be included within *action area 2: securing affordable resources to meet our minerals and energy needs*, and *action area 6: research and investment in better mining and resource use*. DoC further referenced that submitters indicated a strong preference for a focus on sustainability and a circular economy.
10. We note that "Plan for a circular economy/ōhanga āmiomio" is already included as an action under action area 6. This captures the work programme which is primarily led by the Ministry for the Environment.
11. The future actions that are currently noted in the Strategy are constrained to only those actions that are already part of MBIE's work plan. As stated earlier, other agencies provided a nil response regarding their own future actions. Therefore, additional future actions stressing sustainability (or any theme) would potentially lie outside the current work programmes of government agencies. We do not consider it would be appropriate to potentially pre-commit the Government to action through publication in this Strategy without vetting these actions through appropriate Ministerial decision making and Budget bid processes.

Change to the 'no new mines on conservation land' (NNMOCL) action text

12. DoC requested that the following text under the NNMOCL action "making sure that mining is done in the right place, in the right way" be replaced with the following: "to ensure New Zealand's public conservation land is managed in a manner that protects and preserves conservation values." DoC informs us that the original text was from an early draft of the NNMOCL discussion document and is no longer relevant.
13. We have replaced this text as requested; however, we wanted to raise this to your attention given the focus given to the NNMOCL action in the initial round of ministerial consultation on an earlier draft of the Strategy.

Next steps leading to publication

14. A timeline for the process leading up to publication of the Strategy is noted below:

Action	Timing
Feedback from final Ministerial consultation returned to MBIE	5pm, 17 October 2019
Lodgement of Cabinet Paper and Strategy reflecting Ministerial consultation	21 October 2019
DEV Cabinet Committee	23 October 2019
Cabinet approval	4 November 2019
Public release of the final Strategy	6 November 2019

15. A Cabinet paper seeking agreement to publish the Strategy is attached in annex one. The content of the Cabinet paper and Strategy may change after Ministerial feedback is received on 17 October 2019. Due to the tight timelines we will not be able to send you another briefing detailing these changes, but we will keep you informed of any changes via your Office.

16. We will provide you with talking points to support your Cabinet discussion ahead of the Cabinet Economic Development Committee (DEV) on 23 October 2019.

Annexes

Annex One: Cabinet paper - Report back on the final Minerals and Petroleum Resource Strategy

Annex Two: Responsibly Delivering Value – A Minerals and Petroleum Resource Strategy for Aotearoa New Zealand: 2019-2029

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