SUBMISSION BY CLIMATE JUSTICE TARANAKI INCORPORATED

VISION

8. ***Do you agree or disagree with the overall vision for the minerals and petroleum sector in New Zealand?**

- Strongly agree
- Agree
- Neither agree nor disagree
- <u>Disagree</u>
- Strongly disagree

Draft Vision: *"A world-leading minerals and petroleum sector that delivers value for New Zealanders, both now and in the future, in an environmentally and socially responsible way."*

a. Why?

The vision presented is an oxymoron. The sector has caused more environmental and social harm across the planet than anything else. Centuries of mining globally, and more recently here, have demonstrated repeatedly that this extractive practice, and its pollutant by-products, are not environmentally and socially responsible. They do deliver economic wealth to some sectors of society, but the 'externalities' of local – global pollution, environmental destruction and social harm / inequality, far outweigh the purported benefits. We need to move away from extractivism and exploitation to sustainable and regenerative systems.

9. **What is your vision for the minerals and petroleum sector in New Zealand?**

Our vision is one without further exploration and mining of minerals and petroleum. This sector will be socially and environmentally responsible, with prime focus on maximising conservation, efficiency, reuse and recycling of existing minerals and a rapid phase out of petroleum. This vision will be enabled by a shift to steady-state, circular or 'doughnut' economy with all environmental costs internalised, and social wellbeing and equity as its core principle. A paradigm shift to the 'doughnut' economy[1] is expected to be regenerative and distributive.

10. **How can New Zealand sustainably derive value from its petroleum and minerals resources?**

The current economic growth model ignores all social and environmental costs of resource extraction, consigned as 'externalities'. A lot of mineral mining operations (including so-called clean-tech minerals both on land and on the seabed) globally have been socially and environmentally damaging[2]. Petroleum exploration and mining

[1] https://www.kateraworth.com/
[2] https://earthworks.org/publications/responsible-minerals-sourcing-for-renewable-energy/

are especially damaging and costly due to its impacts on climate disruption. When these costs are internalised, none of such operations can be considered sustainable.

We are gravely concerned that MBIE appears to be pushing for mineral (metals, rare earths) mining, with demands for renewable energy and a carbon neutral deadline as justifications, without acknowledging the known and potential social and environmental impacts of such mining. We need to take a comprehensive approach rather than addressing the climate crisis in silo, while ignoring the impacts on groundwater, ecosystem, indigenous biodiversity or local communities from mineral mining.

Rather than mining of virgin materials, we believe true values may be derived from innovations in the area of resource conservation, efficiency, recovery, reuse and recycling. Such innovations, both technological and social, should enable the realisation of a circular economy[3] which takes into account the full life-cycle of materials and respect all known planetary boundaries[4].

OBJECTIVES FOR THE MINERALS AND PETROLEUM SECTOR

Do you agree or disagree with each of the following objectives for the minerals and petroleum sector?

11. ***Objective for a sector that: "*Responsibly delivers value for New Zealand (a) Supporting a productive, sustainable and inclusive economy (b) Supporting New Zealand's transition to a carbon neutral economy*".**
    - Strongly agree
    - Agree
    - Neither agree nor disagree
    - Disagree
    - Strongly disagree

    a. **Why?**

    It is not clear how MBIE defines 'sustainable and inclusive economy'. Without clear definitions, such wordings are open to interpretations. We would much prefer the term circular economy where full life-cycle of resources and products are taken into account, social and environmental costs are fully internalised, and social disparity reduced.

    Re 'transition to a carbon neutral economy', the notion that gas is a transition fuel has been refuted by credible research both overseas[5] and within Aotearoa[6].

[3] https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3119575
[4] https://www.stockholmresilience.org/research/planetary-boundaries/planetary-boundaries/about-the-research/the-nine-planetary-boundaries.html
[5] http://priceofoil.org/2019/05/30/gas-is-not-a-bridge-fuel/
[6] http://www.terrenceloomis.ac.nz/working-papers.html

This is especially unacceptable when the date for carbon neutral is being set as far away as 2050, in full knowledge of the urgency of the climate crisis. Our submission[7] on the Zero Carbon Bill explained our rationale and position in detail.

12. * Objective for a sector that: *"Is productive and innovative"*.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

See above, where innovation should be focused on recovery, reuse and recycling of resources rather than continued extraction, and with immediate cessation of further exploration for fossil fuels.

13. *Objective for a sector that: *"Is effectively regulated"*.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

This sector is currently far from being "effectively regulated".

On the ground, regional and district councils do not have the capacity to effectively regulate oil and gas activities under the RMA. The former Parliamentary Commissioner for the Environment Jan Wright has pointed out many of the key regulatory issues on the petroleum sector in her earlier reports[8,9].

In 'resource-cursed' Taranaki where the industry has had decades of exploration, production and waste disposal into the environment, the relationship between councils and the industry is neither transparent nor future-focused, rather it is 'business as usual', one reason we are in this

[7] https://climatejusticetaranaki.files.wordpress.com/2019/07/cjt-submission-to-parliament-on-zero-carbon-bill-final-16july19-with-annex.pdf
[8] https://www.pce.parliament.nz/publications/evaluating-the-environmental-impacts-of-fracking-in-new-zealand-an-interim-report
[9] https://www.pce.parliament.nz/publications/drilling-for-oil-and-gas-in-new-zealand-environmental-oversight-and-regulation

climate crisis, and with local-regional environmental and societal impacts. This means that local communities who are impacted are seldom heard while the industry influences decisions and is largely self-regulated. As a result, issues from loss of well integrity to soil and water contamination have all been documented while emissions that are harmful to humans or to the climate are allowed to continue largely unchecked[10].

More recently, the issues of health and safety around oil and gas activities from seismic testing to well drilling, flaring and landfarming have been brought to light. Taranaki Energy Watch[11] has challenged the South Taranaki District Council at the Environment Court in their district plan review around these issues. Interim findings of the Court are largely in line with Energy Watch's requests, notably for adequate separation distances between petroleum operations and homes and other sensitive activities, to ensure health and safety of neighbours and the public.

14. Are there any other objectives for the minerals and petroleum sector that you would like us to consider in the strategy?

Following on from the previous question, it is of critical importance that on-ground regulators of the sector are adequately resourced and supported so that the sector can be effectively regulated and managed to ensure social and environmental protection in the rapid transition to a circular economy.

In addition to regional and district councils needing resources and support, the EPA and WorkSafe are also under-resourced.

We urge that the Crown allocate a substantial amount of revenues generated from this sector to build the capacities of all regulators to ensure effective planning, control and management of the sector, as well as remediation of the environment impacted.

Both royalties and taxation on the petroleum sector are low by international standard. There is plenty of room to raise these which would help generate the needed resources for regulators during the twilight phase of this industry in Aotearoa New Zealand.

[10] https://climatejusticetaranaki.files.wordpress.com/2018/04/ccheung-cjt-slides-for-dowse-25mar18-v2.pdf
[11] http://www.taranakienergywatchnz.org/

GUIDING PRINCIPLES

Do you agree or disagree with each of the following principles to guide everyone (including the Crown and industry)?

15. **Principle: The environment, ecosystems, and biodiversity are respected now and in the long term.**
    - Strongly agree
    - Agree
    - Neither agree nor disagree
    - Disagree
    - Strongly disagree

    a. **Why?**

    Economist Herman Daly's famous quote is apt: 'The economy is a wholly-owned subsidiary of the environment, not the reverse'. The mining sector, along with industrial agriculture, has treated the environment as a dumping ground rather than being worthy of respect. This will not change, despite fine-sounding words to the contrary.

    We must transition away from the paradigm of extractivism as a matter of the utmost urgency. This needs to happen urgently as the current climate crisis and mass species extinction could well be our own extinction if we don't turn things around urgently.

16. **Principle: Māori cultural interests are understood and respected.**
    - Strongly agree
    - Agree
    - Neither agree nor disagree
    - Disagree
    - Strongly disagree

    a. **Why?**

    These should be, but have been ignored and abused for several generations. The Treaty settlement process should be an example of fair reconciliation but is a simple 5 cent buy off and further persuasion of Māori rangatiratanga into corporate structures and mindsets.

    If Māori culture was understand and respected, the Crown would stop all mining and clean up the mess immediately while starting the process of handing back resources and governance.

17. Principle: Support the transition to a carbon neutral economy by 2050.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

The transition to a carbon neutral economy needs to happen now and be achieved well before 2050. We do not support further exploration and reliance on natural gas as a transition fuel, and emissions offsets by way of carbon capture and storage. These are flawed proposals promulgated repeatedly by the petroleum sector for decades to perpetuate 'business as usual'. Our submission[12] on the Zero Carbon Bill explained our rationale and position in detail.

18. Principle: The impact on people, communities and regions are managed in a just and inclusive way.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

Impacts must be avoided or minimised to a level acceptable to those affected. There is nothing 'just' or 'inclusive' when local communities are harmed and their homelands be treated as sacrificial zones[13] for the benefits of mining corporations and Crown coffers.

19. Principle: Support a circular economy by meeting resource needs through resource efficiency, recycling and reuse.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree

[12] https://climatejusticetaranaki.files.wordpress.com/2019/07/cjt-submission-to-parliament-on-zero-carbon-bill-final-16july19-with-annex.pdf
[13] http://conference.otheringandbelonging.org/keynote-address-naomi-klein

- Strongly disagree

a. **Why?**

This principle needs to be strengthened so that it 'enables' rather than simply 'support' a circular economy. The latter needs to be clearly defined and elaborated to encompass full life-cycle analyses of impacts. We hope MBIE is not simply paying lip service to a nice sounding, trendy term, but truly taking it as a guiding principle when developing strategies, plans and making investment and regulatory decisions.

The social and environmental impacts of mineral and petroleum mining are often long term and irreversible. Licenses and permits granted now could lock us into decades of impacts and lock up financial resources and opportunities that could otherwise be invested into alternatives that are truly sustainable socially, environmentally and economically. It would be irresponsible and short-sighted to rush into promoting exploration and mining, because circular economy is not quite here yet. Far more efforts need to be put into reducing and managing resource demands rather than growing supplies, knowing that such resources are finite and we are dealing with an unprecedented climate crisis.

20. Principle: Actions taken within the mineral and petroleum sector should align with the strategic direction of other related sectors and Government strategies.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. **Why?**

It is of critical importance that the minerals and petroleum resource strategy is aligned with other government strategies and policies. In fact, given that, as noted earlier, "The economy is a wholly owned subsidiary of the environment, not the reverse", as eloquently stated by Herman Daly, government strategies and policies on biodiversity, conservation land, resource management and climate, should inform and guide the mineral and petroleum resource strategy.

Most specifically, the RMA and EEZ-CS Act do not allow decision-makers to consider the effect of emissions from activities (including petroleum & other industries) on climate change when making decisions on consents and permits. This has got to change to bring the mineral and petroleum sector in line with our climate legislation and policies, notably the Zero Carbon Bill.

In relation to biodiversity, the NZ Environmental Protection Authority (EPA) and its decision-making bodies have never comprehensively assessed the cumulative effects of proposed petroleum activities on marine ecosystems and threatened species, as required under the EEZ-CS Act, or adopted the Precautionary Principle. There is great danger on marine ecosystems and threatened species when cumulative effects and other aspects of the EEZ-CS Act are not properly applied, whether it is mineral or petroleum-related activities.

Economic arguments should not be given the weight that they have been when ecosystems, biodiversity and our climate are at such dire risks. The precautionary principle is of extreme importance and must be applied always.

The new proposed Biodiversity Strategy[14] spearheaded by the Department of Conservation has strong and clear vision, notably "*Thriving nature is seen to underpin our economic success and wellbeing… Biodiversity is core to all decisions about land and water management… The vision sets a direction based on restoration of nature and ecological processes… We want to see healthy, functioning ecosystems across land, freshwater and sea…*" These could only be achieved when other government strategies, including the minerals and petroleum strategy, and all relevant legislation and forthcoming amendments, are aligned with and support it.

Do you agree or disagree with each of the following principles for the <u>Crown</u>?

21. **Principle: The Crown honours its duty towards Māori as a Treaty partner, adheres to the Principles of the Treaty of Waitangi and its duty to meet settlement commitments.**
    - Strongly agree
    - Agree
    - Neither agree nor disagree
    - <u>Disagree</u>
    - Strongly disagree

    a. **Why?**

Of course the crown should honour their treat partners but this is not happening. The crown should adhere to Te Tiriti O Waitangi and not the principles of the treaty which were written by the crown afterwards without iwi input. The crown should adhere to the settlement commitments at the very least but should go far and beyond that and honour Te Tiriti properly.

[14] https://www.doc.govt.nz/biodiversity-consultation

22. Principle: The Crown receives a fair financial return for its minerals and petroleum.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

The crown does not own those resources, they took them, so a fair financial return is an 'interesting' concept. The crown certainly sold off these resources cheaply to compete in international markets but as to whether it was a fair price for the people of this whenua or the environment who paid the price, we would say no.

23. Principle: The Crown regulates in a way that is fair, transparent, reasonable and proportionate.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

The crown has always put far more weight on the financial benefits than on the costs to society and the environment. The RMA, EEZ-CS Act and other related legislation have been repeatedly changed to allow applications to be unfair, unreasonable, unnotified and disproportionate.

This principle is meaningless unless it is acted upon. See also our response to Q22.

24. Principle: The Crown honours the rights of current permit holders to continue production or exploration activities under existing permits.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. **Why?**

The Crown should have the right to negotiate with current permit holders to terminate or reduce permit duration under circumstances such as legislative changes enacted due to existential threats notably climate change. No expiring petroleum permits should be extended.

Furthermore, when Ecocide is recognized under the Rome Statute, fossil fuel corporations will be held legally accountable for their deliberate, premeditated strategy that continues to cause climate disruption, ocean acidification and deoxygenation, production of polluting plastics, and related impacts on our biosphere and humanity [15]. The fossil fuel majors have known for many decades what their industry has and continues to perpetrate.

25. **Principle: The Crown makes policy decisions based on the best evidence, and accounting for the foreseeable need for minerals and petroleum, both now and for future generations.**
    - Strongly agree
    - Agree
    - Neither agree nor disagree
    - Disagree
    - Strongly disagree

    a. **Why?**

Yes the crown should do this but hasn't. Policy decisions should be made together with Māori as partners of Te Tiriti o Waitangi or sovereign where Te Tiriti was not signed or honoured. Non-crown and non-corporate environmental, social and economic experts should be utilised, with a holistic outlook for the wellbeing of the planet and all inhabitants now and in the future.

26. **Principle: The Crown proactively engages and consults with relevant stakeholders and decisions are communicated in a clear and transparent way.**
    - Strongly agree
    - Agree
    - Neither agree nor disagree
    - Disagree
    - Strongly disagree

[15] https://ecocidelaw.com/

a. **Why?**

As long as there is a balance of stakeholders from the community rather than imbalance towards corporate stakeholders.

As one example, the public and stakeholders have been deliberately prevented from engaging in participatory democracy, as occurred with the 2014 amendments to EEZ-CS Act that made applications for most aspects of exploratory drilling for petroleum 'non-notified'. This recent affront to democracy occurred after so-called 'secret meetings' between industry and relevant government ministers. Another embarrassing example was the deliberate exclusion of considerations of GHG emissions from industry on climate change in the RMA and EEZ-CS Act. These need to be addressed as a matter of urgency, along with related amendments to the CMA.

Do you agree or disagree with each of the following principles for <u>Industry</u>?

27. Principle: Pursue continuous improvements in health and safety.

- Strongly agree
- <u>Agree</u>
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. **Why?**

See our response to Q13.

28. Principle: Strive to implement industry best practice in operations.

- Strongly agree
- Agree
- <u>Neither agree nor disagree</u>
- Disagree
- Strongly disagree

a. **Why?**

The term 'industry best practice' is meaningless unless clearly defined. It has been widely abused by the industry for decades, with consistent failure, under questioning, to provide clear consistent definitions, handbooks or manuals.

29. Principle: Seek innovative ways to improve the resource efficiency of extraction operations; and minimise the negative impacts of these operations.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

Industries should be made to maximise resource conservation, recovery, reuse and recycling rather than extraction. Efficient extraction could mean extracting the resource as fast and as cheaply as possible which does not necessarily contribute to sustainability or safe practice.

30. Principle: Engage with stakeholders and implement management systems to understand and manage impacts, and realise opportunities for redress where needed.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

Engagement needs to be genuine and meaningful. Stakeholders especially Maori and those who are already under privileged and adversely impacted need to be at the decision-making table rather than simply being 'engaged' or 'consulted'. The government should provide support and independent experts or negotiators for stakeholders and communities who will be impacted, to avoid company bullying and misinformation.

31. Are there any other principles you would like us to consider in the strategy?

The strategy should be strongly focused on ending extraction and developing a circular system where resources are reused. It is still predicated on the demonstrably-false paradigm of endless growth (extraction) of finite planetary resources (minerals and petroleum). Mining is not 'sustainable'. It cannot continue indefinitely and indeed should have ceased, in the case of petroleum, decades ago, when the global impacts of climate disruption and ocean acidification were clear.

Proper planning and resourcing for responsible decommissioning of existing infrastructure by operators are crucial to avoid liability on the government and people.

ACTION AREAS

Do you agree or disagree with each of the following Action Areas for the Government?

32. Action Area: Modernising the Crown Minerals Act

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

We propose two options: The first is to rename the act to remove the word 'Crown' – this is an outdated and offensive concept for many people in Aotearoa and worldwide. The second option is to incorporate this act into the revised RMA as both deal with natural resource management.

The CMA was written to foster unsustainable, extractive, and highly polluting practices with little if any accounting for the so-called environmental and social 'externalities'. It needs to be amended to reflect reality.

The CMA also needs to be modernised to take into account the reality of climate disruption and Aotearoa's responsibility to take action to reduce emissions, move onto sustainable, climate friendly resource management systems.

However, we are concerned about the timing of this Strategy being ahead of the CMA review, and would appreciate clarifications about the processing of these streams of work.

b. What future actions would you like us to consider under this Action Area?

Amend the CMA, especially the Purpose, to reflect and be aligned with Aotearoa's climate related legislation and policies. Amend it to enable an immediate end to any new exploration and mining of petroleum or extension of expiring licenses.

Incorporate resource recovery, reuse and recycling, rather than mining of virgin minerals, as an Action.

33. Action Area: Securing affordable resources to meet our minerals and energy needs

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

See our comments on circular economy.

b. What future actions would you like us to consider under this Action Area?

The strategy needs to first look at reducing demands, then maximising ways to recover, reuse and recycle resources to meet our needs. The strategy would also provide incentives for innovations and research into alternative resources and technologies that don't involve mining of finite resources.

34. Action Area: Improving Treaty partnership

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

See above responses.

b. What future actions would you like us to consider under this Action Area?

Financial and legal assistance to hapū and iwi to participate fully and fairly in decision-making rather than being consulted and "given consideration" to their opinions.

Acknowledgement of and adherence to Te Tiriti o Waitangi.

35. Action Area: Improving stakeholder and community engagement

- Strongly agree
- Agree

- Neither agree nor disagree
- Disagree
- Strongly disagree

a. **Why?**

Because if local communities were listened to properly years ago, this climate chaos and the massive social upheaval and clean-up costs might have been avoided.

It is crucial to clearly differentiate between industries and lobby groups for vested interest that have misled communities and governments with false facts from stakeholders and communities that are not driven by profits. The science has been clear for decades. Governments have failed to act responsibly for present and future generations.

b. **What future actions would you like us to consider under this Action Area?**

Genuine and meaningful community engagement requires having communities at the table from early on in the conceptualisation of policies to their finalisation, implementation and evaluation. In many cases, communities would also need support in terms of expertise and finance to enable them to contribute effectively.

36. Action Area: Improving industry compliance

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

a. **Why?**

See our response to Q13.

b. **What future actions would you like us to consider under this Action Area?**

Independent and timely monitoring, with proper enforcement and appropriate insurances and avoidance plans for adverse effects.

37. Action Area: Research and investment in better mining and resource use

- Strongly agree
- Agree

- Neither agree nor disagree
- Disagree
- Strongly disagree

a. Why?

We agree with improved resource use, recovery, reuse and recycling.

b. What future actions would you like us to consider under this Action Area?

38. Are there any other action areas you would like us to consider as part of advancing this Strategy?

OTHER

39. Are there any other comments you would like to make about the "Minerals and Petroleum Strategy for Aotearoa New Zealand: 2019-2029"?

This next ten years is critical if we are to have any hope to limiting global temperature rise to 1.5 degrees C. Aotearoa has the responsibility and capability to lead and support other nations in taking bold and effective actions towards reducing our emissions and increasing our carbon sink. Stopping further coal, oil and gas exploration and mining now!