## Introduction

Name:

Neville Smith

#### **Email:**

Privacy of natural persons

Business name or organisation (if applicable):

**Position title (if applicable):** 

Is this an individual submission or on behalf of a group or organisation?

Individual

Please indicate which group you most identify with or are involved in?

Oil and gas sector

Please specify the group that you most identify with Please indicate which type of group your submission represents Please specify the group or organisation that your submission is on behalf of. Vision Do you agree or disagree with the overall vision for the minerals and petroleum sector in New Zealand?

Strongly agree

Why?

Notwithstanding that the Vision and the Strategy are poles apart in their stated intent, the Vision sets out exactly what NZ needs. There could not be one intelligent New Zealander who thinks otherwise. The challenge for MBIE seems not to be the Vision, but the Strategy where it seems critically hamstrung by policies and thinking mandated by the current Government. For example, the stated vision is not in line with phasing out oil & gas exploration.

## What is your vision for the minerals and petroleum sector in New Zealand? See Vision

# How can New Zealand sustainably derive value from its petroleum and minerals resources?

The biggest challenge to the minerals & petroleum sector is the absence of any connection in the public's mind between the resources delivered by the sector and the immense support provided by the sector to New Zealand's economy (as described in the Sector Snapshot). Instead of cutting the sector off at the knees, as is the Green/Labour-supported Government's intent (including the offshore petroleum permtting ban), resources revenue must be maintained and strengthened, and ring-fenced and specifically targeted towards public-good projects connected with the response to AGW – for example, coastal defences and infrastructure (road & rail, network systems, drainage & pipelines, protection and preservation of coastal landscapes and habitats), alternative energy research, geological investigation of clean-tech minerals, biosecurity and health implications of a warming climate, etc.

## Objectives for the minerals and petroleum sector

# 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

#### Why?

The utilisation of New Zealand's indigenous mineral and petroleum resources as key inputs to the circular economy is essential in sustainably delivering value for New Zealand, as well as supporting New Zealand's strategic link to the global response to AGW/CC.

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

Strongly agree

#### Why?

The petroleum sector is already at the forefront of New Zealand's industries in delivering innovaton and productivity, driving efficiencies in exploration, development, production, safety, health and secure supply of energy and raw materials.

## Objective for a sector that: "Is effectively regulated".

Strongly agree

### Why?

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

Guiding principles

Principle: The environment, ecosystems, and biodiversity are respected now and in the long term.

Strongly agree

Respect of the environment, ecosystems and biodiversity is already entrenched in the processes and methodologies of the petroleum sector.

### Principle: Māori cultural interests are understood and respected.

Strongly agree

### Why?

Why?

Respect for Maori cultural interests is already entrenched in the processes and methodologies of the petroleum sector.

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

Disagree

### Why?

Agree with the support but Strongly Disagree with the outcome and the pathway. The strategy cannot exist in isolation from the global strategy. There is no value in building a carbon-neutral New Zealand if there is no strategy to build a carbon-neutral world. Where is the global strategy that New Zealand's strategic outcomes align with?

If the rest of the world does not pull its weight, everything that New Zealand does is wasted and stupid. AGW/CC does not play favourites – it is a global effect. Working for peace in the Middle East and reducing pollution in all forms around the globe would be a better strategy with an immeasurably better outcome for the environment, to avoid further destruction of petroleum facilities and rampant pollution of air and water resources.

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

Strongly agree

#### Why?

Consultation is required all the way through, not just after the major decisions have been enforced.

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

Strongly agree

#### Why?

We have a fundamental moral obligation to use our own petroleum and mineral resources for our needs before we desecrate other countries. Equally we have a moral obligation to reuse/repurpose/recycle the products we use rather than sending our waste overseas.

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

Strongly agree

#### Why?

We are one New Zealand, and all sectors and Government strategies need to align in a common purpose. Most importantly, Government strategies need to be developed in an integrated framework at a national scale; otherwise we waste resources, time and money on trying to force solutions to fix one problem when the solutions are to the detriment of the rest of the economy/country (current forestry and tree-planting strategy is top of the list of bad decisions).

Do you agree or disagree with each of the following principles for the Crown? 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

#### Why?

**Principle: The Crown receives a fair financial return for its minerals and petroleum.** Strongly agree

#### Why?

The Crown needs a fair financial return for all New Zealand's resources - not just minerals and petroleum. Water, most notably.

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

Strongly agree

#### Why?

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

Strongly agree

#### Why?

The Crown must honour its contracts with permit holders, just as permit holders must honour thier contracts with the Crown.

# 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

#### Why?

The need to maintain long-term domestic gas supplies to assist in powering the NZ economy is entirely foreseeable. The best evidence is that NZ gas is dominantly to be found in the EEZ and therefore the policy of refusing to allow exploration in the EEZ (outside of existing permits) is fundamentally bad policy.

# Principle: The Crown proactively engages and consults with relevant stakeholders and decisions are communicated in a clear and transparent way.

Strongly agree

Why?

Effective and unbiased consultation before decisions are made is absolutely necessary. Unlike the offshore petroleum permitting ban.

#### **Do you agree or disagree with each of the following principles for Industry? Principle: Pursue continuous improvements in health and safety.**

Strongly agree

#### Why?

Principle: Strive to implement industry best practice in operations.

Strongly agree

#### Why?

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

Strongly agree

#### Why?

The low recovery rates from oil & gas production leaves most of the resource in the ground and consequently requires more fields to be commercialised to maintain supply. Research is required to improve recovery rates.

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

Strongly agree

#### Why?

Are there any other principles you would like us to consider in the strategy? Action areas intro

#### Action Area: Modernising the Crown Minerals Act

Strongly disagree

#### Why?

Strongly disagree as currently outlined in this document. The actions taken and stated future actions do not support the Vision. (refer Other below)

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

MBIE should be supporting valid, reasoned and evidence-based actions to support the long-term future of Aotearoa New Zealand, not building strategies and action plans based on current government policy.

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

Strongly agree

#### Why?

Strongly agree, but again the intent is not backed up by the strategy and actions. For example "build this knowledge base" is called 'exploration', and yet minerals and petroleum exploration is severely and deliberately restricted; "mining of available deposits can occur where it has minimal negative impact" is called 'exploration in the EEZ'; "better understanding our gas supply for energy security" is spot-on but counter to the Government's policy and actions on exploration permitting. (refer Other below)

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

Active support for domestic exploration to build our knowledge of our indigenous resources, including throughout the EEZ.

#### Action Area: Improving Treaty partnership

Strongly agree

#### Why?

#### What future actions would you like us to consider under this Action Area? Action Area: Improving stakeholder and community engagement

Strongly agree

#### Why?

As stated above, the biggest challenge to the minerals & petroleum sector is the absence of any connection in the public's mind between the resources delivered by the sector and the immense support provided by the sector to New Zealand's economy.

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

Vastly improve support for organisations currently undertaking scientific outreach, such as GNS Science's schools programme. Encourage universities to re-energise their minerals and petroleum geology faculties to ensure that talented students are not ostracised for wanting to participate in these sectors to create a positive future for Aotearoa New Zealand.

#### Action Area: Improving industry compliance

Agree

#### Why?

# What future actions would you like us to consider under this Action Area? Action Area: Research and investment in better mining and resource use

Strongly agree

#### Why?

As noted above, you can't have a circular economy if raw materials are imported and waste is exported. We have a moral obligation to explore for and effectively use our domestic mineral and petroleum resources, to encourage much more strongly the efficient use, reuse and recycling of resources and products derived from them, and to support industry to build facilities in New Zealand to recycle domestic waste of all types.

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

For oil and gas, we start by encouraging knowledge of the resources sector, we reopen NZ to petroleum exploration to avoid import of petroleum with its attendant transportation risks for devastating spills, and we build domestic recycling facilities for all domestic petroleum products to avoid waste and desecration of the environment.

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

#### Other

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

The most obvious failing in this resource strategy is the lack of comprehension of the fundamental geologic principle: economic viability relies on concentration of resource. Exploration and mining cannot be done "in the right place". The resource is where it is, not where we want it to be. The document wilfully ignores this fundamental truth, with the only warning flag being the caption on the 'Lithium Potential' map – "...not all areas identified as having high lithium potential (modelled) are available for minerals permitting...". Similarly in the petroleum sector, the "fact" often stated by Minister of Energy & Resources Hon Dr Megan Woods that "offshore NZ exploration permits cover 100,000 square kilometres, nearly the size of the North Island" which is "sufficient to secure NZ's long-term gas supplies" is breathtaking in its stupidity and ignores the fact that known oil & gas fields offshore NZ occupy a tiny fraction of that area and – without further exploration of NZ's EEZ over the coming decades – the chance of discovering new fields is very small. The minerals and petroleum sectors need access to acreage to undertake exploration to allow them to hone-in to where potential commercial accumulations of resources occur.

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Yes

Can we include your name?

Yes

Can we include your email address? No

Can we include your business name or organisation?

No

Can we include your position title?

No

Can we include the group you most identify with (if submitting as an individual)? Yes

Can we include the group your submission represents (if submitting on behalf of a group or organisation)?

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