

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: Jon Rillstone

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:

FarmRight Limited

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:

FarmRight Limited is a rural investment management company operating in the agribusiness sector, overseeing the management of over one billion dollars of assets owned by institutional investors. FarmRight’s investment portfolio consists of dairy and beef farms, orchards, vineyards, and hops gardens, with the largest investor being the New Zealand Superannuation Fund.

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:

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?

FarmRight supports the development of this Critical Minerals List (the List) and appreciates the attention it brings to New Zealand's reliance on these elements for the growth and prosperity of the country's economy. Due to FarmRight's involvement in the agribusiness sector, we are viewing this list through the lens of the New Zealand's primary sector's reliance on key minerals and elements. We believe that one of New Zealand's most important economic drivers is the use of minerals as soil nutrients in the agriculture sector.

New Zealand's primary sector is largely dependent on imported minerals given that local soils are generally deficient in key required elements, in addition to there being minimal deposits of minerals containing required elements in New Zealand. As such, New Zealand's primary sector is heavily reliant on international supply chain access. It is, therefore, reassuring to note the inclusion of minerals such as Magnesium, Phosphate, Selenium, Molybdenum, Copper, Cobalt, and Boron on the List. However, we note that for the majority of these aforementioned elements, the List focuses on the importance of their use in the industrial production sector and makes no mention of the important role that they play in New Zealand's primary sector.

For example, Copper, Cobalt, and Magnesium are important contributors for maintaining animal health. Boron is crucial to maintaining soil health and achieving good crop growth. Molybdenum is vital micro-nutrient in farming due to its role in maintaining plant and soil health.

We also note that Sulphur is currently not included on the List, and given its importance in the agricultural sector, our recommendation would be that it is included. For example, Sulphur plays an essential role in the growth and development of crops, and it is important that its significance is recognised.

Given the importance of the primary sector to the health of the New Zealand economy, we feel it is important that there is recognition of the sector's dependence on the above minerals in New Zealand's Critical Mineral Strategy, and an increased level of focus regarding long-term international supply chain security. As the List currently stands, we feel that the importance of these highlighted elements in the primary sector are underrepresented and would appreciate additional consideration being given to this area.

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?

N/A

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?

Our points have largely been covered above but it is worthwhile reiterating the importance of New Zealand's Critical Mineral Strategy recognising the reliance of the primary sector on macro and micro-nutrients and elements for agricultural production, and protecting New Zealand's supply chain access and ability to import.

Given the importance of New Zealand's primary sector as an export earner, perhaps a separate sub-list specific to the sector could be developed and maintained. This may help to ensure that the significance of use in the sector is not lost in the aggregated figures including industrial usage.

Thank you

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