



COVERSHEET

Minister	Hon Simeon Brown	Portfolio	Energy
Title of Cabinet paper	Proposed Changes to the Offshore Renewable Energy Bill	Date to be published	24 April 2026

List of documents that have been proactively released

Date	Title	Author
September 2025	Proposed Changes to the Offshore Renewable Energy Bill	Office of the Minister for Energy
15 September 2025	Proposed Changes to the Offshore Renewable Energy Bill CAB-25-MIN-0317.01 Minute	Cabinet Office
2 September 2025	Regulatory Impact Statement: Proposed changes to the Offshore Renewable Energy Bill	MBIE

Information redacted

YES

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[In Confidence]

Office of the Minister for Energy

Cabinet Economic Policy Committee

Proposed changes to the Offshore Renewable Energy Bill

Proposal

- 1 I propose Cabinet agree policy changes to the Offshore Renewable Energy Bill, to be introduced in an Amendment Paper. These changes would help address spatial conflict between offshore renewable energy and seabed minerals development.

Relation to government priorities

- 2 The proposals in this paper would support the Government's 'Electrify NZ' plan to double the supply of affordable, clean energy, by delivering a regulatory regime for offshore renewable energy.

Executive Summary

- 3 I have received strong feedback from Select Committee and offshore wind developers that without changes to address spatial conflict between seabed mining and offshore wind, there is a significant risk that reputable developers will not apply to develop offshore wind projects in New Zealand.
- 4 I propose Cabinet agree policy changes to increase investment certainty for offshore renewable energy projects by placing targeted restrictions on prospecting, exploration and mining permits for minerals other than petroleum ('seabed minerals permits') under the Crown Minerals Act 1991 (CMA).
- 5 Rights under existing seabed minerals permits would not be affected, except for a pause in the right to apply to extend the area of a minerals permit.
- 6 The changes would be introduced in an amendment paper to the Offshore Renewable Energy Bill. The amendment would create a new power to define areas of space for offshore renewable energy (ORE) development over which there are temporary restrictions on new or extended seabed minerals permits.
- 7 If ORE feasibility permits are granted, the restrictions for CMA seabed minerals permits would shrink to cover only the area/s of the ORE feasibility permit/s.
- 8 I have discussed this approach with the Minister for Resources, and we consider this is a pragmatic approach that balances existing rights of minerals permit holders with greater investment certainty for ORE.

- 9 ORE developers generally see the proposed change as a positive step, but they all, to different degrees, have advocated for more significant changes to provide greater investment certainty. Some of the changes being sought would require a significant re-write of the legislation and would impact other uses such as petroleum development, aquaculture or fisheries.

Background

Both offshore renewable energy and minerals development can bring significant national and regional benefits

- 10 Offshore renewable energy is an untapped energy source that has the potential to help us lower energy prices and reach net-zero greenhouse gas emissions by 2050. Offshore wind developments currently being explored in the South Taranaki Bight would, if they proceed, create skilled regional jobs and wider economic activity and contribute to energy security.¹
- 11 The goal of the *Minerals Strategy to 2040* is to double minerals exports by 2035. The seabed off the west coast of the North Island is rich in iron sands containing titanium and vanadium. These minerals are on New Zealand's Critical Minerals List. In the 65.76 km² area of its fast-track consent application, Trans-Tasman Resources Limited (TTR) plans to mine 50 million tonnes of seabed material annually. Based on 2024 commodity prices and assumptions around recovery, TTR estimates the project could result in exports of \$960 million annually.²

Seabed mining and offshore wind developers both seek to use the same area in the South Taranaki Bight

- 12 A small area in the South Taranaki Bight with shallow water depths, good wind-speeds and mineral-rich iron sands is a 'sweet spot' for both offshore wind development and seabed mining.
- 13 TTR holds CMA exploration and mining permits in this area and has applied for a marine consent under the Fast-track Approvals Act 2024 (FTAA) over a part of its mining permit area³. TTR plans to mine the iron sands to extract vanadium, which is listed on major international critical minerals lists because of its use in low-emissions technologies.
- 14 Seabed mining activities and offshore wind farms cannot locate in the same area at the same time. They may be able to co-exist near each other.
- 15 ORE developers have expressed a range of views around how new petroleum permits could affect them but generally see petroleum activities as more compatible with offshore wind than seabed mining.

¹ The potential benefits are discussed in PWC's National Impact Study for offshore wind in New Zealand. https://taranakioffshorewind.co.nz/assets/Uploads/National-Impacts-Report_-New-Zealand-Offshore-Wind-Industry-20-March-2024.pdf

² https://environment.govt.nz/assets/what-government-is-doing/Fast-track-listed/Taranaki-VTM-Project/008.01_response-ANON-URZ4-5FA8-9_Redacted.pdf

³ Exploration permit holders have a right to apply for and be granted a subsequent mining permit, if they meet the relevant criteria in the CMA. Mining activities can only commence if a mining permit holder is granted a relevant consent under environmental legislation.

Cabinet previously agreed that the Bill would not deal with competing uses of the marine space, but the context has changed

- 16 The ORE Bill does not resolve competing uses of space. ORE developers initially preferred a developer-led approach, where they select the area to apply for, rather than the government pre-selecting sites and managing interactions with other activities.
- 17 When the offshore renewable energy regime was consulted on in 2023, the prospect of seabed mining occurring in the South Taranaki Bight was more remote as TTR had failed to get relevant marine consents for its proposed operations. This context changed when TTR's project was listed in the FTAA.

Offshore wind developers and the Select Committee have recommended Cabinet consider changes to the Offshore Renewable Energy Bill to resolve these issues

- 18 On 17 June 2025, the Transport and Infrastructure Committee reported the ORE Bill to the House. The Committee commented on the need to resolve competition for marine space. The majority of the Committee considered that "it would be best to allow Cabinet more time to discuss this matter and any precise wording it might wish to use to address it as the Bill progresses through the House."
- 19 Offshore wind developers have raised similar concerns with Ministers. They indicate that in order to secure substantial (approximately \$200m) funding to invest in feasibility studies, they need certainty that seabed mining will not proceed in an area for which they hold an ORE permit.

Proposed changes to the legislation

- 20 Following discussions with the Minister for Resources, I am proposing a pragmatic solution that will give both offshore renewable energy developers and seabed mining firms the chance to develop projects.
- 21 The proposal would create a new secondary legislation power in the ORE Bill, with associated amendments to the CMA.
- 22 The power would enable the Ministers responsible for the ORE legislation and CMA to designate an area or areas through a secondary legislation instrument (eg a Gazette notice or Order in Council). In this area there would be time-limited restrictions on applying for, awarding, or enlarging CMA prospecting, exploration and mining permits for minerals other than petroleum ('seabed minerals permits') to enable ORE feasibility work to be carried out.
- 23 While the instrument is in force:
- no new seabed minerals permits could be applied for or granted in the designated area
 - no existing seabed minerals permits could be extended in space within or into the designated area

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- there would be a stay on any seabed minerals permit applications that relate to the designated area and that have been received but not yet determined. The need for such a pause is explained at paragraphs 32–33.

These restrictions would give ORE developers confidence they would not end up in a ‘race to consent’ with seabed mining permit holders.⁴

- 24 Any restrictions on CMA seabed minerals permits would apply only to areas where the government invites applications for or awards ORE feasibility permits.
- 25 Existing minerals permit holders in the area would not be affected apart from a pause on the right to apply to extend a permit area. The proposed amendment would not affect new or existing petroleum permits.
- 26 I am proposing that the empowering provision in the bill should be general, with specific details sitting in the secondary legislation instrument. Keeping the power general would reflect best-practice regulatory design and would provide flexibility for the power to be exercised in a future ORE permitting round, potentially in a different area, should the need arise. The Bill could include checks and balances on how the power could be exercised and what Ministers should take into account.
- 27 An alternative option would be for the Bill to limit the time and/or area in which the power could be used (eg the South Taranaki Bight only), but this would be a less flexible option should spatial conflicts arise in other areas in future.
- 28 The pause on seabed minerals permits would apply for a maximum period of time specified in the instrument, or expire if/when:
- no ORE round notice⁵ is issued for the designated area within a certain timeframe of the instrument coming into force
 - no ORE feasibility permit applications are received for the designated area within a defined timeframe
 - no ORE feasibility permits are granted in the designated area within a defined timeframe
 - an ORE feasibility permit is granted but ends for whatever reason and no ORE commercial permit is granted in its place
 - the ORE permit holder receives the required consents under environmental consenting legislation to enable it to build and operate the ORE development.

⁴ The changes to the Bill would not prevent seabed mining operators being able to apply for or be awarded resource/marine/fast-track consents, but it would remove the ability for those parties to give effect to (ie use) any environmental consent (as they must hold a relevant CMA permit to do so)

⁵ The round notice specifies the areas in which permits may be sought in an ORE feasibility permit application round and the time by which applications must be received.

The area where restrictions apply would shrink once ORE permits are awarded

- 29 If ORE feasibility permits are granted, the area where seabed minerals permit restrictions apply would be redefined to cover only the area/s of the ORE feasibility permit(s)⁶.
- 30 In practice, it is envisaged that a larger area would initially be covered by the instrument for a relatively short period (eg one year) while an ORE feasibility round is run and any permits are awarded. Then smaller areas would be covered for a longer period (eg up to around seven years⁷) while ORE developers carry out feasibility work and apply for consents.

There would be checks and balances built into the process for issuing the instrument

- 31 The new instrument could be issued in conjunction with the ORE round notice. The process to issue the instrument would include checks and balances and could be as follows:
- the Ministers for Energy and Resources would jointly recommend the making of the instrument
 - before issuing the instrument, Ministers would be required to consult with any person they deem likely to be significantly affected by the instrument, such as existing minerals permit holders under the CMA
 - consultation with Māori in the relevant area will also be required, the details of which will be worked through in drafting.

Risks and Mitigations

Prospective seabed mining operators may make minerals permit applications before these changes come into effect

- 32 There are currently no applications for new CMA minerals permits in the area of interest for ORE in Taranaki. However, there has been wider interest in the past.
- 33 Ahead of any ORE instrument being activated, there could be applications for new minerals permits and/or applications to extend the area of existing minerals permits into areas that the Government intends to designate for ORE activities. As recommended above at paragraph 23, I propose a stay on any seabed minerals permit applications in the designated area/s while the instrument is in force, in order to reserve space for ORE.

ORE developers seek wider changes to the legislation and are likely to continue pushing for greater certainty

- 34 These proposals are targeted to the overlap of ORE activities and CMA seabed minerals permits. I do not propose any restrictions on petroleum

⁶ An ORE feasibility permit will in most circumstances be required to be less than 250km²

⁷ It is unlikely the instrument would be in force for much longer than seven years as feasibility permits expire after seven years. While it would be possible for a developer to obtain consent after the feasibility permit has ended (so long as it holds a commercial permit), developers will be incentivised to obtain consents as soon as possible, and in any case, conditions on the commercial permit could be imposed to require consent to be obtained within a certain timeframe.

permits under the CMA, or other activities under other legislation – eg fisheries, aquaculture, or issuance of resource/marine/fast-track consents.

- 35 ORE developers see the proposal as a positive step but are pushing for more comprehensive protections of ORE permit areas that go beyond just restrictions on seabed mining. They would prefer greater exclusivity in relation to petroleum activities, and some developers are seeking for this to extend to other activities and legislation too (eg fishing and aquaculture, or consenting decisions under environmental legislation).
- 36 Some developers want the instrument to remain in force even after an ORE development has been awarded an environmental consent and also advocate for the Government to adopt full marine spatial planning in the longer term.
- 37 The proposals in this paper do not provide all that ORE developers are requesting, but it will increase the likelihood of the Government receiving one or more good-quality applications for a feasibility permit. There can be no absolute guarantee of applications, as any decision to apply will rely on a wider range of commercial factors.
- 38 I think it likely that if the amendment is introduced it will receive qualified support from ORE developers, but those developers will continue to call for greater intervention to increase their investment certainty.
- 39 I note a much broader review of marine spatial allocation would be a complex and time-consuming process. I am focusing on targeted changes to the legislation that can be advanced relatively quickly. I note the intended replacement legislation for the Resource Management Act 1991 (RMA) will have a strong focus on spatial planning and may present a future opportunity to do more comprehensive planning for different marine activities and values. I understand the resource management reform will be exploring opportunities for alignment between the RMA replacement legislation and EEZ environmental legislation, which could include spatial planning elements.

Views from TTR and Taranaki iwi and hapū

Confidential advice to Government



- 42 Taranaki iwi and hapū remain opposed to seabed mining. While they do not oppose the amendments proposed in this paper, some are concerned that the CMA permits that have already been awarded to TTR will hinder offshore wind development in the region.

Curtailing the rights of existing CMA permit holders for minerals other than petroleum, even temporarily, carries risks, but these can be managed

Legal professional privilege

- 45 The proposed changes could impact on investor confidence in New Zealand's minerals mining sector. The mandatory consultation requirements should go some way towards alleviating concerns. The Government will need to carefully manage communication on the proposed changes to ensure potential investors in New Zealand minerals sectors are not deterred.

Next Steps

- 46 If Cabinet agrees these proposals I will take further policy decisions on the design of the amendment if required (in consultation with the Minister for Resources) and issue drafting instructions to the Parliamentary Counsel Office to draft the Amendment Paper.
- 47 I seek authorisation for the Minister for Resources and I to approve the final Amendment Paper in lieu of taking the paper to Cabinet Legislation Committee. Once the Minister for Resources and I are satisfied with the amendment paper, I will authorise its release.
- 48 Previous timelines for opening a feasibility permit round were predicated on the Bill coming into force in August 2025. When a feasibility permit round can open will depend on how quickly the Bill is passed. If the Bill is passed late this year with secondary legislation made soon after enactment it may be possible to open a round early in 2026.
- 49 Implementation of these proposals will require engagement and coordination between officials, ORE developers and existing rights holders.

Cost-of-living Implications

- 50 Measures to enable new renewable electricity supply – such as offshore wind – would be expected to have a positive impact over time on electricity prices.

Financial and Legislative Implications

- 51 There are no financial implications.

- 52 The proposals in this paper will require an Amendment Paper to the Offshore Renewable Energy Bill, which has been reported back from Select Committee and is awaiting Second Reading.

Impact Analysis

- 53 Regulatory impact analysis requirements apply and a Regulatory Impact Statement (RIS) is attached to this paper.
- 54 The Regulatory Impact Analysis Review Panel at the Ministry of Business, Innovation and Employment (MBIE) has reviewed the Regulatory Impact Assessment of the proposed changes to the Offshore Renewable Energy Bill and has determined that the paper meets the criteria.

Climate Implications of Policy Assessment

- 55 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this proposal. This is because the emissions impact is indirect and falls outside the 10-year timeframe for CIPA. Reducing greenhouse gas emissions is an indirect effect of the proposal and the wider regime, as the proposal provides greater certainty for developers to invest in offshore renewable energy activities in New Zealand.

Population Implications

- 56 The ocean and seabed are of significant cultural and economic value to Māori. Māori also have formally recognised customary interests and Treaty of Waitangi settlement legislation. Māori have been strongly opposed to seabed mining occurring in Taranaki.
- 57 It is possible for ownership rights to certain minerals in the seabed to be vested in iwi/hapū as part of Marine and Coastal Area settlements. This has not happened in Taranaki, but there are live applications. Mining for these minerals would not require a CMA permit and therefore would not be affected by the proposals in this paper.

Use of External Resources

- 58 No external resources were used for development of this paper.

Consultation

- 59 The Ministry for the Environment, Department of Conservation, Ministry of Foreign Affairs and Trade and Parliamentary Counsel were consulted. The Department of Prime Minister and Cabinet was informed of the proposals in this paper. Targeted engagement has taken place with offshore wind developers, seabed mining firm TTR and Taranaki iwi/hapū.

Communications

- 60 The Minister for Resources and Minister for Energy intend to jointly announce next steps for the legislation and revised timing for the opening of the first feasibility permit round when an Amendment Paper is introduced.

Proactive Release

- 61 I propose to delay the proactive release of this paper beyond 30 business days until such time that the Amendment Paper is public knowledge.

Recommendations

Refer to CAB-25-MIN-0317.01 for final recommendations agreed by Cabinet

The Minister for Energy recommends that the Committee:

- 1 **note** that the Transport and Infrastructure Committee and offshore wind developers have recommended changes to the Offshore Renewable Energy Bill to address potential conflicts between offshore wind and seabed mining projects;
- 2 **agree** the Offshore Renewable Energy Bill is amended to create a new power for the Minister for Energy and Minister for Resources to jointly make, or recommend the making of, a secondary legislation instrument ('the instrument'), eg a Gazette notice or Order in Council, to designate an area or areas in New Zealand's Exclusive Economic Zone and/or territorial sea in which, while the instrument is in force:
 - 2.1 no new prospecting, exploration or mining permits for minerals other than petroleum under the Crown Minerals Act 1991 ('seabed minerals permits') can be applied for or granted in the designated area
 - 2.2 no existing seabed minerals permits can be extended in space within or into the designated area
 - 2.3 there is a stay on any seabed minerals permit applications that relate to the designated area and that have been received but not yet determined;
- 3 **agree** the restriction on seabed minerals permits would apply for a specified period of time and will be amended or expire if/when:
 - 3.1 no round notice for offshore renewable energy (ORE) feasibility permits is issued for the designated area within a certain timeframe of the instrument coming into force
 - 3.2 no feasibility permit applications are received for the designated area within a defined timeframe
 - 3.3 no feasibility permits are granted for the designated area within a defined timeframe
 - 3.4 a feasibility permit (if any) ends for whatever reason and no commercial permit is granted in that area

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- 3.5 the holder of an ORE feasibility or commercial permit receives the required consents under environmental consenting legislation to enable it to build and operate an ORE development;
- 4 **agree** that if ORE feasibility permits are granted, then the restrictions on seabed minerals permits would then be narrowed to cover only the area of any offshore renewable energy feasibility permit/s that may be awarded;
- 5 **agree** the process to prepare the instrument includes consultation with relevant iwi/hapū and other parties to consider impacts on other interests and coordination of different activities;
- 6 **agree** to amend the Crown Minerals Act 1991 and the Offshore Renewable Energy Bill, as required, to give effect to the policy proposals outlined in this paper;
- 7 **authorise** the Minister for Energy to issue drafting instructions to the Parliamentary Counsel Office to draft an Amendment Paper to the Offshore Renewable Energy Bill to implement the proposals in this paper;
- 8 **authorise** the Minister for Energy, in consultation with the Minister for Resources where appropriate, to make any further policy decisions and minor and technical changes to policy decisions in this paper, consistent with the general policy intent, as required to finalise drafting of the Amendment Paper;
- 9 **authorise** the Minister for Energy and Minister for Resources to approve the final Amendment Paper in lieu of taking the paper to Cabinet Legislation Committee.

Authorised for lodgement

Hon Simon Watts
Minister for Energy