



COVERSHEET

Minister	Hon Dr Megan Woods	Portfolio	Minister of Energy and Resources
Title of Cabinet paper	Crown Minerals Act 1991 Review Tranche Two – Terms of Reference	Date to be published	12 August 2019

List of documents that have been proactively released

Date	Title	Author
26 June 2019	<i>Crown Minerals Act 1991 Review Tranche Two – Terms of Reference</i>	<i>Office of the Minister of Energy and Resources</i>
1 July 2019	<i>DEV-19-MIN-0120</i>	<i>Cabinet Office – Cabinet Economic Development Committee</i>

Information redacted

YES / NO (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the following reasons:

- Free and frank opinions
- Negotiations.



Cabinet Economic Development Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Crown Minerals Act 1991 Review, Tranche Two: Terms of Reference

Portfolio **Energy and Resources**

On 26 June 2019, the Cabinet Economic Development Committee (DEV):

Background

- 1 **noted** that:
 - 1.1 on 2 July 2018, Cabinet agreed to undertake a two stage review of the Crown Minerals Act 1991 (CMA) [CAB-18-MIN-0306.01];
 - 1.2 on 3 September 2018, Cabinet made final policy decisions on Tranche One of the CMA review [CAB-18-MIN-0417];
 - 1.3 the Tranche One decisions were included in the Crown Minerals (Petroleum) Amendment Act 2018;

Terms of Reference for Tranche Two

- 2 **agreed** to the Terms of Reference for Tranche Two of the CMA review, attached as Annex One to the paper under DEV-19-SUB-0120 (the Terms of Reference);
- 3 **noted** that the following issues are proposed to be in scope of the Tranche Two review:
 - 3.1 the fundamental role of the CMA and the purpose statement;
 - 3.2 land access arrangements;
 - 3.3 non-interference provisions;
 - 3.4 liability and financial assurance;
 - 3.5 compliance tools;
 - 3.6 iwi engagement and community participation;
 - 3.7 petroleum permitting;
 - 3.8 technical amendments;

- 4 **noted** that a review involving the fundamental role of the CMA presents risks to the overall timeline, and that this risk will depend on the scale of the options considered, including:
- 4.1 (smaller scale) a change in the word ‘promote’ in the purpose statement only;
 - 4.2 (larger scale) a change in the word ‘promote’ in the purpose statement, alongside a change to the allocation criteria for permits, to include environmental considerations for example;
- 5 **noted** that the following issues are proposed to be outside the scope of the Tranche Two review:
- 5.1 the Crown’s ownership of existing Crown-owned minerals and petroleum;
 - 5.2 the Crown’s right to collect and use royalties;
 - 5.3 changes made as a result of the Crown Minerals (Petroleum) Amendment Act 2018;
 - 5.4 the Crown’s ability to allocate new petroleum permits within onshore Taranaki;
- 6 **noted** that the following objectives are proposed to guide the Tranche Two review:
- 6.1 New Zealand’s petroleum and minerals resources sector should contribute to the country’s productive, sustainable and inclusive economy;
 - 6.2 risks and downsides associated with the sector need to be appropriately managed;
 - 6.3 the sector needs to be governed by a regulatory regime that is clear, coherent and fair;
- 7 **noted** that the following principles are proposed to guide the Tranche Two review:
- 7.1 support New Zealand’s wellbeing;
 - 7.2 fairness;
 - 7.3 future-proofing;
 - 7.4 responsible regulation;
- 8 **agreed** to the publication of the Terms of Reference, subject to any minor or technical amendments that may be authorised by the Minister of Energy and Resources;

Proposed discussion document

- 9 **invited** the Minister of Energy and Resources to report back to DEV in October 2019 with a discussion document ahead of its public release;

Free and frank opinions

- 11 **invited** the Minister of Energy and Resources to report back DEV in January 2020 with final options responding to findings of the Crown Minerals Act 1991 Tranche Two review.

Janine Harvey
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Dr Megan Woods (Chair)
Hon Dr David Clark
Hon David Parker
Hon Nanaia Mahuta
Hon Stuart Nash
Hon Iain Lees-Galloway
Hon Shane Jones
Hon Kris Faafoi
Hon James Shaw
Hon Julie Anne Genter
Hon Eugenie Sage

Officials present from:

Office of the Prime Minister
Officials Committee for DEV

Hard-copy distribution:

Minister of Energy and Resources

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