

Submission from New Zealand Minerals Council to the Ministry of Cities, Environment, Regions and Transport

Illustrative National Policy Direction

October 2026

Introduction

1. New Zealand Minerals Council is the industry association representing the New Zealand minerals and mining sector. Our membership is comprised of mining companies, explorers, researchers, service providers, and support companies.
2. We welcome the opportunity to comment on the Illustrative National Policy Direction, [New Zealand's New Planning System - Testing the Approach to National Policy Direction](#) (the document).
3. The functionality of the Natural Environment and Planning Acts ("the Acts") will largely hinge upon the National Policy Direction (NPD) and other national instruments, including environmental standards, yet to come.
4. The NPD is intended to translate the Goals of the Acts into useable policies, resolve competing objectives at the national level, direct lower-order planning instruments and create greater national consistency and certainty.
5. It will be essential that the NPD provides the appropriate direction and balance if the new resource management system is to be a success.
6. The scope of this submission is limited to issues concerning mining (including quarrying), and energy.

General comment

7. We are pleased that the Illustrative NPD offers strong support for the mining and quarrying sectors.
8. This support is consistent with the new resource management legislation, noting that the General Policy Statements of both Acts included a specific reference to enabling mining. This support for mining is entirely appropriate because of the role it plays in the economy and the importance of minerals to New Zealand.
9. We are generally supportive of the NPD, but the document is light on detail as to how conflicts will be resolved both in terms of competing land uses, and also where there are trade-offs to be made between land use activities and the public values such as environmental health, indigenous biodiversity and public access etc. as discussed in Theme 5.
10. Throughout the document the directives enable a variety of activities - agriculture, housing, infrastructure etc. There will be occasions where potential mining and quarrying activities will conflict with many of these activities and the document does not give sufficient direction on how such

conflicting proposals for competing land uses will be resolved. If not addressed at the NPD level, this will have to be addressed in the national standards or further down the “funnel”, as described on page 4 of the document.

11. We are pleased that the new system retains the case-by-case assessment of consent applications for large complex projects such as mining. This enables decision makers to consider their effects on competing values in the land, and proposals for managing environmental effects.

Cross-cutting directives

12. This section includes cross-cutting directives that apply across all themes in the NPD but it is not clear as to their status relative to the other directives where there is a conflict and whether or not they are intended to have priority. This will need to be cleared up.

CC-Directive 4 - Managing land use and reverse sensitivity

13. This directive aims to minimise conflicts between incompatible land uses. It does this through land use plans and spatial planning, including through tools such as zoning and buffers.
14. As discussed later in the document (particularly paragraphs 31-34), while we support zoning it will be important that this directive does not lead to a situation which would preclude mining in an area outside a specified mining zone.
15. Minerals are locationally constrained. They can only be sourced from where they are physically located (and where the industry is able to access them cost-effectively). Because of this location constraint there needs to be potential via a consenting pathway for mining to occur outside a mining zone in the right circumstances.
16. It also needs to be noted that many land uses and in particular mining and quarrying are temporary. After mine closure, disturbed land is returned to a former use, or a new or enhanced use, e.g. fertile grazing land, plantation forestry, or native vegetation. Or in the case of urban areas, housing developments can be built over former quarries.
17. Because a mine won't be there forever and the land can have an alternative use before and after it is a mine, the provisions around managing land use need to account for this temporal aspect of mining as well as the spatial aspect.

Theme 2, sub-theme 2 – Energy infrastructure

18. This theme is important for the mining sector. Renewable energy technologies rely on minerals, and coal plays an important role in New Zealand's energy system as a back-up fuel for electricity generation and a cost-effective fuel for industrial process heat.
19. **INFR – Directive 2.1**, directs spatial plans to identify opportunities to transition to a low carbon economy. This is not totally consistent with the new resource management legislation which has removed greenhouse gas emissions reduction from land use planning, given that it is more effectively dealt with under the Climate Change Response Act 2002.
20. We support the transition to a low carbon economy, but this directive could throw up all manner of unintended consequences. For example, it could prevent a council from consenting the expansion of a coal mine which may be necessary to supply fuel for industrial process heat or electricity generation in a region where no alternatives exist.

Theme 3 – Primary production and the rural economy

21. This theme covers a range of primary production industries, but it excludes mining and quarrying which has a separate chapter in Theme 4. Primary production is defined (in the definitions) to include mining activities which we support and so it is unclear how the primary production directives and the mining directives in Theme 4 interrelate.
22. We suggest that all of the directives that are relevant to mining activities should be located in Theme 4.

PP-Directive 1.6

23. **PP-Directive 1.6** recognises primary production as the leading and expected land use within rural production zones.
24. As noted above, the definition of primary production includes mining activities. We support the recognition of primary production (including mining activities) as the leading and expected land use within rural production zones.

Theme 4, sub-theme 1 – Quarrying and mining

25. Theme 4, sub-theme 1 (Page 55-57) covers quarrying and mining. The section is positive for the sector, and we are generally supportive of the directives contained within.
26. We note there are seven directives listed on page 55 but only six are included in the text (1.1 – 1.6). The directives relating to “managing the interface between urban development and mineral resources”, and “protection of minerals and other land uses” have been squeezed together as one, focusing on urban development (directive 1.4) and it could be argued that minerals not used specifically for urban development (ie minerals other than aggregates) have been given insufficient attention.
27. We comment individually on the directives here.

RW-Directive 1.1

New and expanded

28. **RW-Directive 1.1 (a)** requires land use plans to enable new and expanded mines and quarries. We are pleased it specifically refers to both new (1.1(a)(i)) and expanded (1.1(a)(i)) mines and quarries but have some comments below.

Ancillary activities

29. We note and support the reference to ancillary activities in **RW-Directive 1.1 (a) (i)**. It is important that provisions enabling mining throughout the document also apply to ancillary activities and not just the extraction activity itself.
30. Ancillary activities include the mining operations associated with mining such as constructing settlement ponds and water treatment facilities; building access roads; and mineral handling, processing, and loadout areas. Such activities need to occur in conjunction with the extraction activities and therefore have as much functional need to occur at a particular location as the extraction.

Identified location

31. The reference to “identified locations” in **Directive 1.1(a)(i)** means there is a risk that this directive could preclude mining in an area outside an identified location, such as a specified mining zone.
32. Where a commercially exploitable resource has yet to be identified at the time the plan is created, or circumstances are such that there is a case for mining in an area that had not been marked as an

“identified location” ie in a mining zone, there needs to be a consenting pathway. There could be any number of reasons for identified locations not being adequate. The regional spatial planning process will be critical to identifying regionally significant mining opportunities, but it cannot be relied upon solely.

33. For spatial planning to work for the mining sector there needs to be potential for new mines to occur outside a mining zone in the right circumstances. **Directive 1.1(a)(i)** needs to be amended to allow for this and be clear that mining is not always precluded outside identified locations. One solution could be to add the words, “*or where a resource or ancillary requirement has been identified outside of identified locations*” after the words “*identified locations*”.
34. **Directive 1.1(a)(ii)** does not limit activity to identified locations so is less constrained, (perhaps because it is referring to the expansion of existing mines which presumably are already in identified locations) but there may be occasions where existing mines or ancillary activities need to expand outside the mining zone. We note the directive does not specify ancillary activities. This will need to be fixed.

Other issues

35. **Directive 1.1(a)(ii)** relates to the expansion of “existing” quarries and mines AND only for the purpose to “maintain” supply of mineral resources. This implies, perhaps inadvertently, that existing mines can’t be expanded for the purpose of new supply. This also needs to be fixed.
36. **RW – Directive 1.1(c)** This directive is enabling of mining and quarrying activities, subject to achieving environmental outcomes and “environmental limits”. Environmental limits are not defined in the NPD. *See our comment on environmental limits under RW-Directive 1.6 below.*

RW-Directive 1.2

37. **RW-Directives 1.2 (a) and (b)** says spatial plans must identify and protect existing regionally significant quarries and mines, and potential new regionally significant mineral resources. This is important because of the locationally constrained nature of minerals. We support it and are pleased it refers to potential new resources as well as existing mines.

Regional significance

38. **RW-Directives 1.2 (a) and (b)** refers to “regionally” significant as opposed to “nationally” significant which has been used in the past and is a higher threshold.
39. We support this. Regional significance captures the benefits from a project that accrue to the local community whether these be the economic contributions created by the activity itself (jobs, procurement, etc.) or where the extracted resources are needed to meet local demand.
40. **RW-Directive 1.2 (b)** says land use plans must protect identified regionally significant quarries, mines and mineral resources from competing land uses including urban development and infrastructure.
41. We support this but note that it may conflict with other directives in other parts of the document, ie Themes 1 and 2, which favour those land uses. As stated earlier, it is not clear yet how conflicts between those competing land uses would be resolved.
42. In protecting quarries, mines and potential new resources from competing land uses **RW-Directive 1.2 (b)** makes an exception for infrastructure that has an operational or functional need to locate within or near the resource.

43. The directive, and the NPD generally, should also recognise that mining and quarrying are locationally constrained and have an operational and functional need to be located where economic mineral resources are located. Aggregates also happen to be part of the direct supply chain for infrastructure.

RW-Directive 1.3

44. **RW-Directive 1.3 (a)** says to support improved environmental outcomes over the life of a quarry or mine, land use plans and natural environment plans must provide for progressive rehabilitation, including restoration, offsetting, and agreed post-extraction land uses, where these contribute to improved environmental outcomes.
45. We support this. Mining companies fully appreciate the importance of rehabilitation and the use of these mechanisms to improve environmental outcomes. There are plenty of examples of where this is done which we are happy to provide.

RW-Directive 1.4

46. **RW – Directive 1.4(b)** requires new land uses to avoid or mitigate adverse effects on the extraction of the identified mineral resource. At face value this is enabling for mineral resources, but as it comes under the heading *‘Managing the interface between urban development and mineral resources’*. Therefore, as touched on earlier in paragraph 26, there is a risk this would be interpreted narrowly as only including minerals used for urban development i.e. aggregates.
47. The same applies to **RW – Directive 1.4(c)** which applies to minerals used to support infrastructure, development and economic wellbeing. A case can be made that all minerals contribute to economic wellbeing and development and, indirectly, infrastructure too but coming under the heading relating to urban development undermines this case with the implication being it is applying to aggregates and quarries only.
48. Removing the word “urban” from the header above Directive 1.4 could be the solution to this.
49. **RW – Directive 1.4(c)** Regarding the interface between urban development and mineral resources, resources are to be prioritised where conflict with urban development occurs.
50. This is important for the quarry sector because of the locally constrained nature of aggregate resources, that is, aggregate resources can only be extracted where they are located.
51. It is also important that the NPD directs the protection of existing quarries (not just identified mineral resources) from encroachment of non-compatible land uses such as housing. This reduces reverse sensitivity potential, and enables the expansion of these resources and development of new greenfield resources. We support the establishment of buffer zones or offsets to protect such quarrying sites from reverse sensitivity.

RW-Directive 1.6

Environmental limits

52. **RW-Directive 1.6** deals with environmental limits. We consider environmental limits are not effective tools for managing the environmental impacts of mining. We support the provision of consenting pathways where environmental limits are breached, as provided for in this directive.
53. It needs to be acknowledged that some mining projects cannot always operate totally within environmental limits and exceptions need to be made with appropriate conditions and mitigations. An environmental management approach which allows mitigation, remedying, offsetting and compensation is more flexible and can achieve better outcomes for both the environment and the

economy than the prescriptive approach of environmental limits. The new legislation allows for this (as does the existing system) and it should be made clear in the NPD that there are pathways to enable mines to operate where such limits are breached.

54. Environmental limits are yet to be set. It will be important that environmental limits allow for the specific characteristics of different regions and the system for establishing these limits is flexible enough to cater for regional and ecosystem variations. They must also be set based on a strong scientific basis.
55. **RW-Directive 1.6 (a)** provides a pathway for mines to continue operating where environmental limits are breached. We fully support this. However, the wording of the directive (the word “continuing”) implies that it only applies to existing mines.
56. It is imperative that a consenting pathway is also available for new mines where environmental limits exist, not just existing mines.
57. **RW-Directive 1.6 (b)** ensures there is an enforceable mechanism to remedy a breach by a targeted date.
58. Quarries and mines operating under existing authorisations need certainty so they can continue to operate while progressing towards environmental limits. **RW-Directive 1.6 (b)** should ensure that the pathways provided for continued operation are practical and do not unnecessarily constrain or prevent ongoing extraction while an enforceable mechanism is implemented to remedy the environmental limit breach.
59. There needs to be a provision to review the limits (and not enforce a limit breach) in the context of the existing activity and its receiving environment.

Indicative implementation through national standards

60. We fully support the commentary on page 57 regarding national standards requiring spatial plans to identify existing and future regionally significant minerals resources, consider demand for ancillary activities and direct how conflicts with other activities will be managed over the long term.

RW-Directive 2.3

61. **RW-Directive 2.3** relates to waste management not mining and enables efficient access and transport to and from waste infrastructure.
62. Efficient transport of minerals is critical to the mining industry and so we seek the inclusion of a similar directive relating to transport associated with mining.

Theme 5 - Public values, Sub-theme 1 – Environmental and human health

PV-Directive 1.2

63. **PV-Directive 1.2** requires land use plans and natural environment plans to enable the construction, operation, maintenance and renewal of constructed wetlands.
64. We support this. Constructed wetlands are important for the mining sector but many existing district and regional plans place unnecessary constraints on the construction of stormwater ponds in particular which often also provide ecological benefits.

Life supporting capacity and land use and development (page 68)

65. It is unclear what this section seeks to achieve. Like other parts of the document, it seems to simply restate the conflict, rather than clarify how the conflict is to be resolved.
66. Similarly, it states that there will be limits but provides no guidance as to what outcomes the limits should seek to achieve or how the framework for setting limits should be set.
67. The purpose of the cross references to Themes 2 and 3 at the end of the text is unclear. It is also unclear as to how the statements in this section are to apply to mining activities.

Sub-theme 2 – Indigenous biodiversity

68. Theme 5, sub-theme 2 (pages 69-72) covers the need to appropriately and proportionally protect indigenous biodiversity.

PV-Directive 2.1

69. **PV-Directive 2.1** uses a system of tiers to categorise indigenous biodiversity. We do not support this approach, not least because of the difficulty and subjective nature around the categorisation of biodiversity into tiers, and the arbitrary nature of where to draw the line between each tier.
70. Applying different levels of protection according to these categories is a blunt approach and is equally problematic. Assessing individual areas on a case-by-case basis would be more precise and meaningful and must not be precluded by any categorisation approach adopted.
71. In **PV-Directive 2.1 (b)** The wording in (i) and (ii) implies that offsetting and compensation could not be used for Tier 1. We would not support this. All proposals should be able to be considered on their merits. The potential for offsetting and compensation should be available in all tiers.
72. Consenting pathways must be provided for mining activities in Tier 1 environments where there is an operational or functional need to be in that location and the effects management hierarchy has been applied.

PV-Directive 2.3

73. **PV-Directive 2.3** aims to enable the use and development of land and natural resources while achieving protection of significant indigenous biodiversity.
74. We support this in principle, but we have concerns about the word 'protection'. There needs to be appropriate recognition in the directives, for instance in **PV-Directive 2.1(b)**, that locationally constrained activities like mining and quarrying cannot always protect (i.e. avoid) significant indigenous biodiversity and that to enable the use and development of the natural resource that is acceptable.
75. **PV-Directive 2.3 (b)** recognises the benefits that indigenous biodiversity provides for people and the economy and refers to various land use activities. The intention of this directive seems uncertain, but if it is to enable such land uses, mining and quarrying should be included too, alongside infrastructure.
76. **PV-Directive 2.3 (c)** requires the application of an adaptive management approach where impacts on indigenous biodiversity are likely and its value is yet to be assessed.
77. We support this. Where an activity has an impact on indigenous biodiversity (unanticipated or otherwise) it makes sense for there to be scope for adaptive management to be applied to address those impacts rather than avoiding activity.

Indicative implementation through national standards – page 72

78. The text outlining the contents of proposed national standards does not include any recognition of the functional and operational needs of activities to locate in significant natural areas (SNAs).
79. It needs to be reworked to recognise a consenting pathway for activities that have a functional or operational need to locate in sensitive areas where they cannot comply with environmental limits but have applied the effects management hierarchy.

Other issues relating to sub theme 2

80. There are two further issues we wish to raise in relation to this sub theme.
81. Firstly, under the existing regulations the extractive sector has a “gateway” to activate the effects management hierarchy if projects are nationally or regionally significant.
82. However, the experience with the existing National Policy Statement for Indigenous Biodiversity (NPSIB)(and also the National Policy Statement for Freshwater Management (NPSFM)) is that applications that get through the gateway are faced with limitations on what can be offset and compensated, effectively closing the very consent door that was held open.
83. These are created by the existing wording of the principles for offsetting and compensation (appendices 3 and 6 of the NPSIB and NPSFM respectively) which give regulators wide scope to reject offset and compensation packages.
84. We recommend government officials work with the sector to ensure that there is a genuine consenting pathway with the ability for applicants to present offsetting and compensation opportunities.

Interpretation

Definitions

85. We note the definitions on pages 87 to 90 come from a variety of sources including the National Planning Standards, existing National Policy Statements and National Environment Standards and the Crown Minerals Act, as well as new definitions from the legislation. We comment below on definitions relevant to the sector.

Mineral

86. We note the definition used is taken from The Crown Minerals Act. We support this as it will provide consistency with other legislation and regulations impacting the sector.

Primary production

87. We note the definition used is taken from the National Planning Standards. We support it and note the inclusion of mining and quarrying as primary production.

Quarry and Quarrying activities.

88. We note these definitions are taken from the National Planning Standards. We support these definitions.

Mine and Mining activities

89. Unlike Quarry and Quarrying activities, we note that there are no definitions of Mining, Mine or Mining activities in the document (nor the National Planning Standards.)

90. Definitions of these, plus of “exploration” and “prospecting” should be included. For consistency these could be aligned with the Crown Minerals Act.
91. Definitions must provide for ancillary activities also i.e. mining operations associated with mining, and not just the extraction itself.

Operational and functional need

92. There is no definition of ‘operational and functional need’ in the document.
93. We think this is a significant omission. We suggest the inclusion of a definition of ‘operational and function need’ in line with current National Policy Statement and National Environmental Standards definitions.