

# Managing New Zealand's offshore mineral resource

Striking a balance between economic development and environmental protection

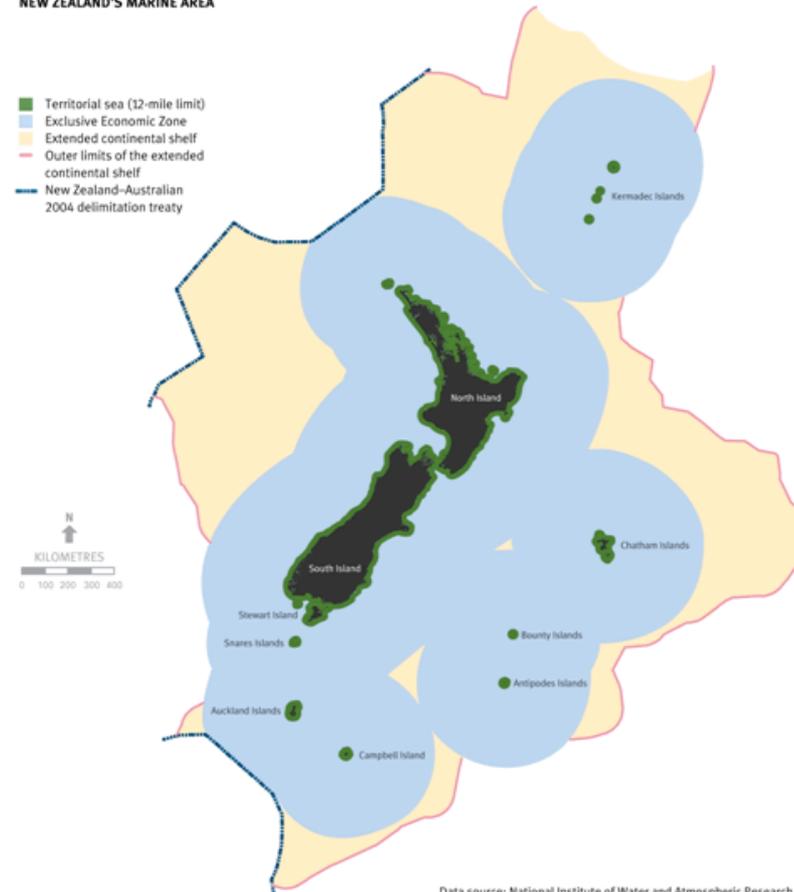
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# What will we cover today

1. The historic position in New Zealand
2. The “drivers” for regulation
3. The legislative answer – *The Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 (the **EEZ Act**)*

# The EEZ and Extended Continental Shelf

+ FIGURE 11.1:  
NEW ZEALAND'S MARINE AREA



# The Historic Legal Framework for managing offshore environment

- Largely piecemeal and industry specific
- Heavily reliant on industry self-regulation, as regards minerals
- Recognition of issues, but fixing them was a big job and simply not the highest priority

# So what changed?

A number of factors brought the need for environmental legislation higher up the priority list

1. Increased awareness of mineral resource
2. Increased awareness of environmental treasures
3. Increased global demand for mineral resources

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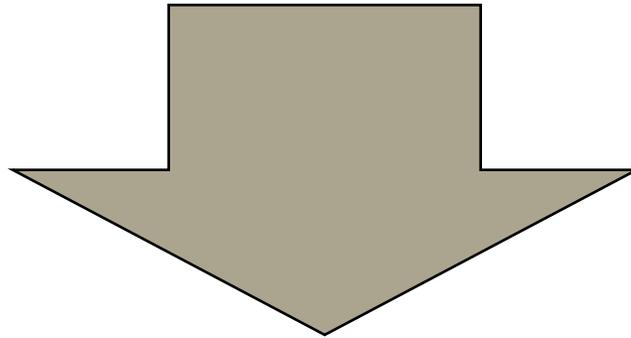
4. Increased interest in NZ projects

5. Government desire for economic development

6. Environmental incidents

# The Key Question

General acceptance that environmental legislation  
was needed



What form would it take, and how would it balance  
competing interests?



## **Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012**

Public Act 2012 No 72  
Date of assent 3 September 2012  
Commencement see section 2

# Features of the EEZ Act

- A comprehensive legal framework for managing the environmental effects of certain activities (including minerals exploration and mining)
- Environmental regime separate to regime for allocating rights to mineral resource

# Features of the EEZ Act

- **Purpose:** To promote sustainable management of the natural resources of the EEZ and continental shelf
- Act “continues or enables the implementation of” NZ’s obligations under UNCLOS

# Features of the EEZ Act

- Classification of activities

<b>Permitted</b>	Can be carried out as of right
<b>Discretionary</b>	Can be carried out if a marine consent is obtained
<b>Prohibited</b>	Cannot be carried out

- Significant penalties for breach

# Features of the EEZ Act

- Consent decisions are managed by independent regulatory body (EPA)
- Key aspects of consent process
  - environmental impact assessment
  - public process
  - appeals (points of law only)

# Features of the EEZ Act

In determining consent applications the EPA must:

- take into account specific criteria
- favour caution and environmental protection where information is uncertain or inadequate
- consider the appropriateness of an adaptive management approach in certain cases

# Where to from here

Act forecast to come into effect in Q3 or Q4 2013, once regulations are sorted



The final form of regulations is the great unknown



Everyone will watch first consent applications with interest. We expect submissions/hearings and appeals



Key provisions will be tested in court