

## **Departmental Memo**

| То             | Minister of Conservation  | Date<br>submitted | 22 May 2024 |
|----------------|---|-------------------|-------------|
| GS tracking #  | 24-B-0254   | DocCM             | DOC-7644602 |
| Security Level | In Confidence   |                   |             |
| From           | Sam Thomas, Director, Policy - \$9(2)(a)  |                   |             |
| Subject        | Recommendations on conservation approvals for Fast Track Approvals Bill (to support joint Ministers meeting 29 May)                     |                   |             |
| Attachments    | Attachment A – Overview of conservation issues raised Attachment B – Recommendations for Bill workability and responding to submissions |                   |             |

#### Purpose - Te aronga

1. On 29 May, you will be meeting the Minister Responsible for RM Reform, Minister of Transport, and Minister for Regional Development to decide on recommendations for the Fast Track Approvals Bill. This memo provides additional context on recommendations for conservation approvals that will be discussed at the meeting.

#### Background and context - Te horopaki

#### Recommendations to be discussed

2. At the 29 May meeting, you will be discussing the recommendations in two briefings the Ministry for the Environment has provided you (BRF-4664 and BRF-4752). You should already have received BRF-4664. BRF 4752 is due to Ministers on 24 May.

# S9(2)(f)(iv) 3. S9(2)(f)(iv)

#### Submissions analysis

- 4. Public submissions on the Fast Track Approvals Bill closed on 19 April. Just under 27,000 submissions were received.
- 5. Full submissions analysis has not been possible in the time available, but DOC has identified key groups with conservation interests (e.g. iwi groups, operators on conservation land, environmental groups, councils) and prioritised analysing their submissions first as well as those that have already completed oral submissions to the Select Committee.
- 6. Attachment A provides an overview of the conservation-specific issues raised by submitters.

#### Improving the Bill's workability and responding to submissions

- 7. The speed at which the Bill was produced has meant that there remain issues with how the conservation approvals and processes integrate into the fast track process. DOC has provided some recommendations in the Ministry for the Environment's briefing to clarify areas of doubt and enable the process to work effectively.
- 8. We have also identified some areas where Ministers may choose to make decisions in light of issues raised in submissions.
- 9. Attachment B provides the recommendations and advice we have provided in BRF-4752.

#### Key conservation issues raised by submitters

- 10. Attachment A provides an overview of the conservation-specific issues raised by submitters.
- 11. While many submitters are opposed to the changes to conservation considerations, submitters have not identified any specific conservation impacts but broad risks and impacts to conservation and wildlife is a significant theme.
- 12. We are recommending that you carefully consider decisions on three key issues and represent your views of these at the meeting on 29 May:
  - S9(2)(f)(iv)
  - Alignment with the Convention on Migratory Species of Wild Animals
  - Input of conservation statutory bodies
- 13. You also need to ensure you are comfortable with the other minor changes proposed in Attachment B on conservation matters.





#### Alignment with the Convention on Migratory Species of Wild Animals

- 24. Some submitters have raised concerns that the Bill is inconsistent with our international obligations, such as the Convention on Migratory Species of Wild Animals. They flag a particular concern for endangered migratory species on Appendix 1 of the Convention and have concerns that the wide discretion under the Bill could include the killing or disturbance that may cause further decline of the species and reputational risks for New Zealand.
- 25. The Bill is likely to allow impacts on wildlife that would not have otherwise occurred under the existing system. This is consistent with Government objectives to enable more development.
- 26. However, DOC has identified there is a gap in the Bill regarding those migratory species that:
  - are protected by the Wildlife Act, and
  - do not get assessed under the New Zealand Threat Classification System because they spend part of their lifecycle elsewhere, and
  - are considered threatened or endangered under international agreements that New Zealand is signatory to (such as the Convention on Migratory Species of Wild Animals).

- 27. Because these species are not given a threat status under the New Zealand Threat Classification System, they will not qualify for the provision in the Bill that requires "taking into account" impacts on them. An example of this is the whale shark.
- 28. We recommend that there is an explicit provision for wildlife approvals in the Bill that requires the consideration of species that are the subject of international agreements. Generally, the impact on New Zealand if we are perceived not to be adhering to our international conservation agreements is reputational. However, providing an explicit provision is a way to ensure these factors are considered without providing a barrier to development.

#### Input of statutory bodies

- 29. Some submitters are concerned with the lack of requirement in the Bill to consult with statutory bodies (New Zealand Conservation Authority NZCA, Conservation Boards, Fish and Game Council New Zealand, and New Zealand Game Animal Council) where relevant. Submitters consider this misses the opportunity for them to share their knowledge of impacts on conservation values, and fishing and hunting activities.
- 30. These submitters think the Bill should include a requirement to invite written comments from these statutory bodies on referral and substantive applications for fast track projects.

#### Existing specific statutory role of NZCA

- 31. The NZCA has an existing statutory role in some mining access arrangements. Under section 18A of the National Parks Act 1980, the Minister of Conservation is required to consult the NZCA in respect of any notice requesting a mining access arrangement for a national park. Certain restricted mining access arrangements are the only activity that is provided for in the Bill within national parks.
- 32. As the Bill is drafted, it does not disapply section 18A of the National Parks Act which means the NZCA would need to be consulted as above. Ministers will need to decide if you wish to maintain this requirement. If you do not wish to retain it, it will need to be actively disapplied in the Bill.
- 33. There is already a process for inviting comments on fast track applications from key people and groups within the Bill. The NZCA could be added to this list with no impact on timeframes.
- 34. We recommend you retain the requirement to consult the NZCA on access arrangements in a national park. This reflects their existing statutory role for national parks including that of approving National Park Management Plans and won't impact approvals timeframes for the process.

#### Broader roles of statutory bodies

- 35. Ministers will also need to decide if these statutory bodies are added to the list of groups invited to comment on fast track applications where conservation approvals are included.
- 36. These statutory bodies are all established under legislation that DOC is responsible for, and all have strong interests in what occurs on public conservation land:
  - The New Zealand Conservation Authority (NZCA) is an independent statutory body that advises the Minister of Conservation and the Director-General of Conservation, on conservation priorities at a national level.

- Conservation boards are independent, regional bodies that hold local knowledge
  of conservation issues and review and manage relevant statutory plans. There
  are 15 conservation boards across the country.
- Fish and Game was established under the Conservation Act to represent the interests of anglers and hunters and provide co-ordination of the management, enhancement, and maintenance of sports fish and game. It has a statutory function to advise the Minister on matters relating to sports fish and game birds which intersects with conservation land.
- The Game Animal Council was established under the Game Animal Council Act and their work involves advising Ministers (Conservation and Hunting and Fishing), informing and educating the sector, promoting hunter safety, and conducting game animal research. They have significant interests in access to public conservation land for the purposes of hunting.
- 37. There are not specific statutory roles for these bodies that apply to the fast track process given the disapplication of the need to comply with conservation planning documents. However, we recommend that these bodies are added to the existing list of people and groups who are invited to comment on fast track applications. This should be limited to those projects that include conservation approvals. Enabling them to comment on fast track applications would ensure that Ministers and the Panel understand the full range of benefits and impacts of a project. They would provide perspectives that would not otherwise be represented throughout the process and would not slow the process down given there is already a process for inviting comments.

#### Risk assessment – Aronga tūraru

- 38. S9(2)(f)(iv)
- 39. **International conservation agreements –** there are risks to New Zealand's international reputation if the Bill does not ensure impacts on wildlife that are the subject of our international conservation agreements are considered.
- 40. **Statutory bodies** removing the NZCA's statutory function in the Bill, and/or not including the other statutory bodies in the existing comments process, is likely to attract significant criticism from those groups given their responsibilities under conservation legislation and roles in advising you on conservation issues. It will result in some key conservation and recreation perspectives being missed through the process.

#### Next steps - Ngā tāwhaitanga

- 41. You will join the Minister Responsible for RM Reform, Minister of Transport, and Minister for Regional Development to discuss the advice on 29 May.
- 42. Any decisions made will then need to be confirmed through a subsequent Cabinet paper the Ministry for the Environment is drafting (Cabinet agreement is required if the Departmental Report recommends any changes to the Select Committee which depart from previously agreed policy decisions).
- 43. The Departmental Report is currently timetabled to be presented to the Committee on 20 June and you will have an opportunity to comment on it prior to this.

**ENDS** 

#### Attachment A: Overview of conservation issues raised

# General conservation concerns raised by submitters

General conservation related themes that have been reflected in submissions include:

- The prevailing development purpose of the Bill and the reduced environmental considerations and safeguards threaten New Zealand's unique biodiversity.
- Mining developments, including deep sea mining are the types of projects submitters are particularly concerned about.
- Mining should be excluded from all conservation land (or at minimum, be publicly notified).
- Concerns that development may be enabled on national parks and other land on Schedule 4 of the Crown Minerials Act (particularly mining).
- Concerns for impacts on biodiversity and threatened species, including taonga species.
- The Minister of Conservation should be included in the core group of decision-making Ministers.
- Concerns about public access impacts, particularly with regard to hunting and fishing.

#### Specific conservation concerns raised by submitters

Some submitters (notably environmental organisations, conservation statutory bodies, individuals, local government and lwi, hapū and other Māori representative groups) have noted specific conservation related issues, including:

- The lack of requirement for concessions to be consistent with conservation management strategies and conservation management plans.
- Concerns that an important environmental safeguard is removed as concessions can be granted under the Bill even when an application does not comply with the provisions of the Conservation Act, and where the concession is not consistent with the conservation purpose for which the land is held.
- Concerns with stewardship land being eligible for fast track, as it
  is possible for stewardship land to hold significant values similar
  to those covered by the Fast Track exclusions (e.g. National
  Parks). Some submitters suggest that stewardship areas should
  be excluded from the Bill until reviewed and formally classified
  under the Conservation Act, National Parks Act or Reserves Act.
- Some submitters are concerned that fast track projects may be allowed on New Zealand's UNESCO World Heritage Areas and that these sites will be open to greater levels of development which may be inconsistent with the purpose for which they are designed under the World Hertiage Convention 1972.

- Concern about the use of offsetting and compensation and that if
  this is to be enabled in the Bill, that an effects management
  hierarchy approach is needed for conservation approvals (e.g.
  applicants should avoid, remedy, or mitigate adverse effects
  before resorting to offsetting or compensation).
- Concern about extending land exchanges beyond stewardship land.
- Concerns with the provision in the Bill that allows the Minister of Conservation to revoke or amend existing conservation covenants and the lack of prioritisation of the original landowner's intentions in entering into the covenant, or the values that the covenant protects.
- Concern the Bill is inconsistent with our international obligations, such as the Convention on Migratory Species of Wild Animals, which New Zealand is signatory to.
- Lack of requirement in the Bill to consult with statutory bodies (New Zealand Conservation Authority, New Zealand Conservation Boards, Fish and Game Council New Zealand and New Zealand Game Animal Council) where relevant.
- Iwi have raised concerns about how their right to first refusal relates to land exchanges.
- Preference from some councils to have council-administered land subject to the Reserves Act not eligible for fast-track.
- The need to require written consent from local authorities when a concession is fast tracked on council-administered land.
- Support for including conservation approvals in fast-track processes.
- Support for the existing conservation land exclusions.

### Attachment B: Recommendations for Bill workability and responding to submissions

| Proposal                             | Advice   | Recommendations  | Decision |
|--------------------------------------|--|------------------|----------|
| GENERAL                              |  |                  |          |
| S9(2)(f)(iv)                         | S9(2)(f)(iv)   | 1. S9(2)(f)(iv)  | Yes / No |
|                                      |  |                  |          |
|                                      |  |                  |          |
|                                      |  |                  |          |
|                                      |  |                  |          |
| Input from relevant statutory bodies | Some submitters are concerned with the lack of requirement in the Bill to consult with statutory bodies (New Zealand Conservation Authority (NZCA), Conservation boards, Fish and Game Council New Zealand, and New Zealand Game Animal Council) where relevant. Submitters want to ensure the bodies can share their knowledge of potential impacts on conservation values, and fishing and hunting activities. These submitters think the Bill should include a requirement to invite written comments from these statutory bodies on referral and substantive applications for Fast Track projects. | a national park. | Yes / No |
|                                      | These bodies have statutory responsibilities for their areas and represent conservation, hunting and fishing interests.  None have existing direct responsibilities related to approvals in the Bill except for the NZCA; under section 18A of the National Parks Act 1980 the Minister of Conservation is required to consult the NZCA in respect of any notice   |                  | Yes / No |

| Proposal  | Advice   | Recommendations   | Decision |
|---|--|---|----------|
|   | requesting a mining access arrangement for a national park. Certain restricted access arrangements are the only activity that is provided for in the Bill within national parks.   | Council to the list of those invited to comment on referral and substantive fast track applications.  |          |
|   | As the Bill is drafted, it does not disapply section 18A of the National Parks Act which means the NZCA would need to be consulted as above. You will need to decide if you wish to maintain this requirement and, if you do not wish to retain it, it will need to be disapplied in the Bill.   |   |          |
|   | You also have a second decision to make on whether to include these bodies in the list of those invited to comment on fast track applications to provide perspectives that would not otherwise be represented throughout the process.  |   |          |
| CONCESSIONS AND CROWN MIN   | ERALS ACT ACCESS ARRANGEMENTS (Schedules 5 and 10)   |   |          |
| Process for setting non-<br>environmental conditions on<br>concessions and Crown Minerals | In addition to conditions on measures to avoid or reduce adverse effects, a concession also covers a range of issues such as the concession term, concession fees, fee dispute resolution process, and health and safety requirements (hereafter referred to as non-environmental conditions).   | Agree that DOC provides a report to the Panel providing advice on the concession/access arrangement and the conditions the concession should cover.                       | Yes / No |
| Act approvals (Schedule 5 and Schedule 10)  | To assist the Panel in its consideration, we recommend DOC provides a report to the Panel that:  |   |          |
|   | <ul> <li>Advises on environmental conditions for the Panel's consideration and the Panel then decides on what<br/>conditions to provide to Ministers.</li> </ul>   | Agree that DOC sets the non-environmental conditions of<br>the concession/access arrangement.   | Yes / No |
|   | <ul> <li><u>Sets the non-environmental conditions</u> that the Panel must include in its report to the Ministers. The Panel is unlikely to be in a position to comment on these conditions given that they are linked to liabilities and DOC's role as land manager. It means the Panel does not have to get into the details of commercial elements of the contract and allows the Panel a more streamlined process focusing on the environmental aspects.</li> </ul>   |   |          |
|   | The Panel would not seek comments on the non-environmental conditions that DOC sets, but DOC would work with the applicant in the process of setting them.   |   |          |
|   | Crown Minerals Act access arrangements are similar to concessions approvals and deal with many of the same issues and types of land – they require contracts with the setting of fees, bonds, and terms and conditions related to the use of land, including those relevant to liabilities. Given these similarities, we recommend that the process for setting terms and conditions for access arrangements follows the same approach as for concessions.   |   |          |
| Reconsideration of concessions decision   | Section 17ZJ of the Conservation Act provides for the Minister of Conservation to reconsider a concessions decision at the request of the applicant – either the decision to decline the concession, or the conditions placed on a granted concession (prior to the concession being implemented).   | Agree to <u>disapply</u> Section 17ZJ of the Conservation Act 1987 for fast track projects and that DOC will provide comments from the applicant on the non-environmental | Yes / No |
|   | We recommend disapplying this provision. There are no similar provisions made for similar conditions placed on resource consents under the fast track process (the objection and appeals processes available under the standard RMA process have not been provided for). We do not consider that there is a sufficiently unique requirement for environmental concession conditions to have a specific reconsideration provision available to the applicant only, and this would be unaligned with the other permissions being granted under the FTA Bill. | conditions for the Panel to pass on to the Minister to consider for final decision.  AND  |          |
|   | Assuming, you have agreed to our recommended approach above, we recommend that DOC provides the applicant's comments on the non-environmental conditions in DOC's report to the Panel which would then be provided to the Minister with the recommendation report. This enables the Minister to consider the applicant's views on the non-environmental conditions that DOC has set within the fast track process rather than having a separate reconsideration process.   | 7. <b>Agree</b> that the Minister of Conservation may make changes to the non-environmental conditions.   | Yes / No |

| Proposal   | Advice  | Recommendations   | Decision          |
|--|---|---|-------------------|
| Concessions on reserves owned by local authorities       | You previously agreed that reserves owned by local authorities are eligible for Fast track. If a local authority owns a reserve, they need to be able to make decisions about how they manage it. They will have to bear the costs and risks associated with the reserve and its use, so they need to agree to the activity. This requires them to have decision-making power over the concession, so we recommend that the written permission of the local authority reserve owner is required for the project to be eligible for Fast Track. This is consistent with the approach in the Bill for other reserves not owned by the Crown and reflects feedback in council submissions.   | 8. Agree that a new ineligibility criterion is included in the Bill that a project cannot be referred to Fast Track without the written consent of the local authority if a local authority-owned reserve is part of the project area.  | Yes / No          |
| CROWN MINERALS ACT (Schedul                              | e 10)   |   |                   |
| Report for Crown Minerals Act approvals                  | You previously agreed that, for concessions, Ministers must consider any administration arrangements over the land and any existing arrangements (formal or informal) over public conservation land affected by Fast Track applications when considering whether to accept the project into the Fast-Track process, and that this and the final decision should be informed by a report from DOC (BRF-4307).  Crown Minerals Act land access arrangements are similar to concessions approvals and deal with many of the same issues and types of land. For the same reason a land report is required for concessions, one should also be required for Crown Minerals Act land access arrangements.   | <ol> <li>Agree that Ministers' consideration of Crown Minerals Act<br/>matters as part of the Fast Track referral and the Panel's<br/>recommendation report is informed by a land report from<br/>DOC (in consultation with the land administrator where this is<br/>not DOC).</li> </ol>   | Yes   No          |
| CONSERVATION COVENANTS (Sc                               | hedule 5, Part 4)   |   |                   |
| Inclusion of conservation covenants (Schedule 5, Part 4) | When you previously agreed to include the amending or revoking of conservation covenants through the Fast Track Approvals Bill, officials noted that further work was needed on how this part of any Fast Track application should be managed alongside the resource consent and 'one stop shop' approvals.  You agreed that conservation covenants could only be amended or revoked by mutual consent of the Minister of Conservation and the landowner and following a similar process as under the Urban Development Act 2020.  We recommend that changes to conservation covenants should occur in parallel to the Panel process but not through the Panel process. This is because revoking or amending of conservation covenants requires specific agreement between the landowner and the Minister of Conservation. Adding the Panel into the process would add extra steps in the process.  We recommend that the landowner's permission must already be received prior to applying for Fast Track referral and that a project is ineligible if it proposes changes to a covenant but does not yet have landowner approval.  For avoidance of doubt, we recommend the Minister must receive a report from DOC to inform their final decision. The way the Bill is drafted, there is no provision for any advice to the Minister to inform the final decision. | <ul> <li>10. Agree that the amending and revoking of covenants will not be part of the Panel process but will be subject to the same timeline for final advice to the Minister.</li> <li>11. Agree to clarify in the Bill that DOC provides a report to the Minister of Conservation to inform the final decision-making on changes to covenants.</li> <li>12. Agree for the avoidance of doubt that a new ineligibility criterion be drafted that makes a project ineligible if it requires the extinguishment or amendment to a conservation covenant, without the landowner's agreement in writing.</li> </ul> | Yes   No Yes   No |

| for exchanges not to be eligible on<br>Crown Minerals Act.  of doubt, that an exchange can<br>for Crown owned land managed<br>vation Act or administered by DOC | Note<br>Yes   No  |
|---|---|
| Frown Minerals Act.  of doubt, that an exchange can for Crown owned land managed  |   |
| Frown Minerals Act.  of doubt, that an exchange can for Crown owned land managed  |   |
| for Crown owned land managed  | Yes   No  |
| validit Act of autilities level by DOC  |   |
| of doubt, that exchanges cannot be sted in the ineligibility criteria of  | Yes   No  |
| s 1-11 and 14 of Schedule 4 of the  |   |
| Coromandel land listed in items 12  |   |
| t-backs   |   |
| of doubt, that land cannot be nange would trigger a right of first  | Yes   No  |
|   | Yes   No  |
|   |   |
|   | Yes   No  |
|   |   |
|   |   |
|   |   |
|   |   |
|   |   |
|   |   |
| s<br>st<br>of   | sted in the ineligibility criteria of a 1-11 and 14 of Schedule 4 of the t (i.e. exchanges could be coromandel land listed in items 12 t-backs f doubt, that land cannot be |

| Proposal   | Advice   | Recommendations   | Decision       |
|--|--|---|----------------|
|  | S9(2)(f)(iv)   |   |                |
| Public comment on land exchanges                       | Land exchanges are significantly different to other approvals in the Bill given it results in the loss of public conservation land in one area and the gaining of public land in another part of the country that may not be in the same region. Exchanges can involve significant changes to public land and how it may be used or accessed by the public indefinitely.  There is strong public interest in land exchanges. S(9)(g)(i)  Public notification or provision to comment on an exchange is not included in the Bill currently.  Full public notification would enable greatest transparency. However, it is likely to take 3-4 months at a minimum. If you wish to include some level of public engagement but not as extensive as full public notification you could provide for the invitation of written comments from a limited range of people for the land exchange process. The invitation to comment could be limited in duration and in terms of who is able to input.  If you agree to some level of public involvement, we propose that, at a minimum, those already provided with the opportunity to comment on applications under the Bill are invited to comment, with timeframes consistent with those for comment in the Panel process. We also recommend some modifications to this list to provide for the interests of unsettled iwi. The ownership and management arrangements of conservation land are often the subject of Treaty settlement negotiations. | <ul> <li>19. Note that land exchanges are significantly different to other approvals in the Bill, as this process involves a land transaction rather than just permission to use land.</li> <li>20. Agree to:  <ol> <li>DOC seeking written comments from the people and groups who are listed in the Bill as being able to comment during the Panel process, and with a timeframe consistent with the timeframes for comment in the Bill.</li> </ol> </li> <li>AND  <ol> <li>Include unsettled iwi groups to the list of those who is invited to comment on land exchanges.</li> </ol> </li> </ul> | Note  Yes   No |
| WILDLIFE APPROVALS (Schedu                             | le 6)  |   |                |
| Consideration of international conservation agreements | Some submitters have raised concerns that the Bill is inconsistent with our international obligations, such as the Convention on Migratory Species of Wild Animals. They flag a particular concern for endangered migratory species on Appendix 1 of the Convention and have concerns that the wide discretion under the Bill could include the killing or disturbance that may cause further decline of the species and reputational risks for New Zealand.  The Bill is likely to allow impacts on wildlife that would not have otherwise occurred under the existing system. This is consistent with Government objectives to enable more development.  However, DOC has identified there is a gap in the Bill regarding those migratory species that:  • are protected by the Wildlife Act, and  • do not get assessed under the New Zealand Threat Classification System because they spend part of their lifecycle elsewhere, and  • are considered threatened or endangered under international agreements that New Zealand is signatory to (such as the Convention on Migratory Species of Wild Animals).  | 21. <b>Agree</b> that for wildlife approvals, the Bill will include a provision to take into account species that are the subject of international conservation agreements.   | Yes   No       |

#### [IN-CONFIDENCE]

| Proposal | Advice  | Recommendations | Decision |
|----------|---|-----------------|----------|
|          | Because these species are not given a threat status under the New Zealand Threat Classification System, they will not qualify for the provision in the Bill that requires "taking into account" impacts on them. An example of this is the whale shark.   |                 |          |
|          | We recommend that there is an explicit provision for wildlife approvals in the Bill that requires the consideration of species that are the subject of international agreements. Generally, the impact on New Zealand if we are perceived not to be adhering to our international conservation agreements is reputational. However, providing an explicit provision is a way to ensure these factors are considered without providing a barrier to development. |                 |          |