

Key messages on seabed mining – to support any media queries, April 2023

Increasing interest in seabed mining

- Seabed mining is a divisive issue. Opponents are concerned about the potential for significant adverse effects on marine ecosystems. Proponents say the minerals are high in financial value and may assist our transition to a low-carbon economy.

Environmental impacts of seabed mining are not well understood

- Potential impacts include:
 - Direct impacts of extracting material from the seafloor include habitat loss and the removal of fauna.
 - Indirect impacts include the generation of sediment plumes both near the seafloor and in the water column. Sediment redeposition may be destructive to certain benthic organisms (eg, plants and animals that live on the sea floor) as increased solids in the water may smother or clog feeding organs or gills, especially harming filter-feeding organisms such as bivalves. Additional potential impacts include those related to light and noise disturbance.
- Such activities may exacerbate climate change by reducing seabed carbon storage as marine sediments are critical carbon reservoirs. Research has indicated that deep-sea mining may be counter-productive to reducing CO₂ emissions as ocean microbes, which inhabit the polymetallic nodules targeted by mining, absorb about one third of CO₂ generated on land.

The value of seabed minerals is potentially significant

- Seabed minerals, such as cobalt, manganese, phosphate, nickel, vanadium, and iron sand have significant potential financial value.
- An MBIE commissioned study in 2019 assessing the in-situ dollar value of minerals in the proposed marine mammal sanctuary areas off the west coast of the North Island identified the value of iron sand ranged from \$30 billion to \$860 billion, and from \$50 billion to \$1,400 billion for vanadium.

Domestic framework

- New Zealand has a robust framework for considering seabed mining.
- In the territorial sea – within 12 nautical miles (nm) from land – seabed mining is regulated by the Resource Management Act 1991. Regional councils are responsible for considering seabed mining applications in their regions. Under the new system, seabed mining would continue to be regulated in a similar fashion.
- In the Exclusive Economic Zone (EEZ) (out to 200 nm), seabed mining is regulated under the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 (the EEZ Act). The Environmental Protection Authority (EPA) is responsible for administering the EEZ Act and considering applications for seabed mining.
- The EEZ Act provides a regulatory framework that requires an assessment of effects on the environment and existing interests. The Act also applies a precautionary approach and requires decision-makers to favour caution and environmental protection in the face of uncertain and inadequate information.
- To date, no seabed mining has taken place in New Zealand's Exclusive Economic Zone.

Seabed mining in New Zealand

- In New Zealand, seabed mining requires permits under the Crown Minerals Act 1991, which governs allocation, and consents under the EEZ Act or RMA, which regulate environmental effects. Seabed mining requires both approvals to go ahead.
- To date, two seabed mining permits and two exploration permits have been issued under the Crown Minerals Act 1991. The holders of the mining permits (Chatham Rock Phosphate and Trans-Tasman Resources Limited (TTR)) have had marine consent applications refused under the EEZ Act (further information on TTR below).

- TTR and Pacific Offshore Mining Limited hold exploration permits for areas in offshore Taranaki and Bay of Plenty respectively.
- A further prospecting permit is being sought by Ngarara Exploration Limited near the area of TTRs existing permits.

Trans-Tasman Resources application being considered by the EPA

- Consents for mining iron sands off the south coast of Taranaki were granted by an EPA-appointed decision-making committee on its second attempt in 2016; however, this decision moved through the Courts and was ultimately referred back to the EPA by the Supreme Court for reconsideration.
- The EPA Board has appointed a decision-making committee to reconsider this application in 2023. The EPA has an independent decision-making role under the EEZ Act, and applications are considered against the decision-making criteria and the purpose of the Act. These decisions are made at arm's length from the Government and thus it is inappropriate for the Minister to get involved.

International negotiations

- The International Seabed Authority (ISA) is the intergovernmental body responsible for regulating seabed mining in areas beyond national jurisdiction.
- Aotearoa New Zealand is actively involved in negotiations at the ISA to develop a regulatory framework for seabed mining in areas beyond national jurisdiction. 6(a) [REDACTED] and it is now clear that the rules will not be agreed by July – when the two-year deadline for agreeing seabed mining regulations expires.
- In October 2022, New Zealand announced it was calling for a conditional moratorium on seabed mining in areas beyond national jurisdiction until strong regulations can be agreed at the ISA that ensure the effective protection of the marine environment. New Zealand, and like-minded states, consider that no mining beyond national jurisdiction should be able to proceed until these are developed.
- Fiji, Palau, the Northern Territory in Australia, and Washington State in the USA have banned seabed mining in their domestic waters.

Seabed mining in the Pacific

- There are a range of views on deep-sea mining in the Pacific. However, the region does agree on the need for precaution and that we need to fill key knowledge gaps in our understanding of the deep sea and how mining may affect it.
- Regarding the potential for mining within Pacific exclusive economic zones, New Zealand's position is to be open about our views and position, while respecting the rights and responsibilities of states to manage their own stewardship responsibilities.

Te Pāti Māori Co-leader Debbie Ngarewa-Packer's Member's Bill

- The Prohibition on Seabed Mining Legislation Amendment Bill (the Bill) was introduced on 4 August 2022 and is due for its first reading.
- The Bill aims to place a nationwide ban on seabed mining consents within the EEZ and Aotearoa's coastal waters; prohibit applications for exploration rights for seabed mining; and retrospectively withdraw existing seabed mining consents and exploration rights.
- If the Bill passes its first reading, it will be referred to a select committee, where public submissions will then be considered.

Iwi/Māori rights and interests

- Any review of New Zealand's domestic policy on seabed mining would need to consider Māori rights and interests under the Marine and Coastal Area (Takutai Moana) Act 2011. Any relevant Treaty settlement obligations will also need to be considered.