

Phase 2 RMA Reforms - Resource Management (Freshwater and Other Matters) Amendment Act 2024

- In October 2024 we passed our first RMA Amendment Act and made immediate changes to the RM system by:
 - excluding the hierarchy of obligations in the National Policy Statement for Freshwater Management (NPS-FM) from consideration in resource consenting while a review and replacement of the NPS-FM is undertaken
 - repealing the low slope map and associated requirements from stock exclusion regulations
 - repealing the permitted and restricted discretionary activity regulations and associated conditions for intensive winter grazing in the National Environmental Standards for Freshwater (NES-F). The Amendment Act replaces these with standalone regulations on riparian setback and critical source areas
 - aligning the provisions for coal mining with other mineral extraction activities under the National Policy Statement for Indigenous Biodiversity (NPS-IB), NPS-FM and NES-F
 - suspending for three years, requirements under the NPS-IB for councils to identify new Significant Natural Areas (SNAs) and include them in district plans and extending some SNA implementation timeframes
 - streamlining the process for preparing and amending national direction, including national environmental

standards, national planning standards, national policy statements, and the New Zealand Coastal Policy Statement

- clarifying councils' ability to grant consents for discharges that would result in significant adverse effects, provided conditions reduce effects over time
- pausing the roll-out of freshwater farm plans until work to improve the system is finalised
- restricting notification of freshwater planning instruments (regional policy statements and plans that give effect to the NPS-FM 2020) until a new NPS-FM takes effect from 31 December 2025.
- This restriction allows for Ministerial exemption in certain circumstances, and a process is now in place enabling councils to apply to the Minister for the Environment, for an exemption. To date three councils (Canterbury, Southland and Tasman), have expressed interest in progressing an exemption. Canterbury have provided an application, and the Minister is considering Canterbury's request.

Phase 2 RMA Reforms – Resource Management (Consenting and Other System Changes) Amendment Bill

- The Government is progressing a second RMA Amendment Bill to the RMA to deliver short- to medium-term impacts for system users.
- Key changes in the Bill include:
 - one-year consenting timeframes for renewable energy activities and wood processing facilities,
 - default consent duration of 35 years for renewable energy and certain types of long-lived infrastructure,
 - a 20-year extension for port coastal permits issued under section 384 of the RMA, and requiring authority status extended to ports operated under the Port Companies Act 1988,
 - amendments to section 70 of the RMA to ensure regional councils may include permitted activity discharge rules where standards will contribute to a reduction in cumulative effects over time,
 - enabling councils to opt out of the Medium Density Residential Standards (MDRS) – though this has changed following the Select Committee process, which I will speak to in a moment,
 - reducing regulatory overlap between the RMA and the Fisheries Act 1996,

- strengthening councils' ability to decline or apply conditions to consents where significant natural hazards are present,
 - improving emergency response provisions to enable more timely responses in the event of an emergency, including the introduction of a regulation-making power for the Minister for the Environment to respond to, or recover from, an emergency event,
 - a suite of changes to improve the effectiveness of the RMA compliance and enforcement regime, including increases to penalties for offending under the RMA, and
 - changes to improve consenting efficiency, including requiring that a council must not hold a hearing where it has sufficient information to make a decision.
- The Environment Committee reported back on the Bill just last week and some key improvements have been made by:
 - removing the ability for councils to opt-out of the MDRS and instead providing bespoke processes for Auckland and Christchurch City Councils to enable sufficient development capacity,
 - introducing criteria for decision makers to consider when the streamlined planning process is used to remove a building or heritage structure from a heritage schedule in a plan,
 - strengthening the role of the MPI Director General in pre-notification approval of plans (concurrence), so a proposed rule that controls fishing in an RMA plan cannot be notified if

the MPI Director General determines the rule has a more than minor impact on fishing,

- limit the circumstances where a Freshwater Farm Plan is required and when farm operators are required to submit their Freshwater Farm plan for certification,
 - remove a previous proposal that consent authorities must not hold a hearing if they have sufficient information to decide a consent application,
 - a range of other technical changes across to respond to submission feedback and improve workability of the Bill.
- The Bill is expected to pass into law before the end of 2025.

Phase 2 RMA Reforms - National Direction

- As part of our work to make targeted changes to the system ahead of reforming the RMA, the Government is making a suite of changes to national direction.
- We recently launched consultation on four new and amendments to 12 existing national direction instruments under the RMA to support local decision-making in the form of national policy statements (NPS), national environmental standards (NES), and regulations under section 360 of the RMA.
- This includes delivering on the Government's commitment to replace the National Policy Statement (NPS) for Freshwater Management 2020 and the National Environmental Standards (NES) for Freshwater to better reflect the interests of all water users.
- These proposals have been designed with an intent to minimise the implementation burden for local government, as we progress replacing the RMA.
- Public consultation on the three packages opened on 29 May, and will run for 8 weeks until 27 July:
 - Package 1: Infrastructure and Development. This responds to the Government's commitments to make it easier to consent new infrastructure including renewable energy, to deliver 'Electrify NZ' commitments including supercharging electric vehicle infrastructure, and to make it easier to get more houses and granny flats built.

- Package 2: Primary Sector. This responds to the Government's commitment to allow a broader range of productive rural activities under the NPS for Highly Productive Land, to remove regulations that impede the productivity and potential of the seafood sector, to reduce farming regulation and enhance primary sector including fish and aquaculture, forestry, pastoral, horticulture and mining, and to make stock exclusion rules more practical.
- Package 3: Freshwater discussion documents. This seeks to better reflect the interests of all water users in national direction. It will address the current state of a system which is too complex and expensive to implement and has not delivered outcomes for freshwater that New Zealanders expect.
- Public consultation on the fourth discussion document, Package 4: Going for Housing Growth was announced yesterday. It explores how urban policy proposed under Pillar 1 of Going for Housing Growth, originally anticipated to be implemented through amendments to the NPS on Urban Development, could be delivered in the new system.
- Once we've considered submissions on the proposals we'll make any necessary changes and have the majority of instruments gazetted by late 2025, with the remainder in early 2026.

Package 1 National Direction – Infrastructure and Development

- The infrastructure and development package supports delivering the Government’s commitments to make it easier to consent new infrastructure, to deliver ‘Electrify NZ’ commitments, and to make it easier to get more houses and granny flats built.
- We’ve proposed new NESs for **granny flats and papakāinga** to support housing capacity. The granny flats NES is being progressed alongside a proposal to establish a building consent exemption for new simple standalone houses up to 70 square metres, subject to certain conditions.
- We’ve proposed a new NPS for **natural hazards** to support a standardised approach to natural hazard management, which we know costs both the Government when extreme weather events hit, and New Zealanders through increased insurance premiums.
- We’ve proposed a new NPS on **infrastructure** to better enable the development, upgrade, maintenance, operation and protection of publicly beneficial infrastructure (excluding renewable electricity generation and electricity networks).
- Amendments to the NPS on **Renewable Electricity Generation** are proposed to better enable the development, upgrade, maintenance, operation and protection of renewable electricity generation, which will help increase the security of electricity supply and reduce climate emissions.
- Amendments to the NPS on **Electricity Transmission** are proposed to widen the scope to cover electricity distribution and

better enable the development, upgrade, maintenance, operation and protection of electricity networks in RMA decision-making.

- Proposed amendments to the NES on **Electricity Transmission Activities** will widen the scope to cover electricity distribution, reduce costs and complexity, and enable the roll-out of public EV charging facilities through nationally consistent standards. All changes help support the electrification of the economy and reduce climate emissions.
- Proposed amendments to the NES for **Telecommunications Facilities** will keep it up to date with new technology and will reduce costs and complexity, for example by widening the scope of permitted activity standards.

Package 3 National Direction – Freshwater

- The freshwater package contains proposals that, subject to public feedback, will form the basis for an exposure draft of the NPS-FM and NES-Freshwater later in the year.
- The proposals are to:
 - Require freshwater management to balance multiple objectives and provide for key outcomes such as vegetable growing and water storage, while safeguarding the health of freshwater.
 - Provide more direction on managing the scale and pace of change. Councils need to consider the cost impacts of meeting freshwater targets, and that long timeframes may be appropriate.
 - Rebalance Te Mana o te Wai to better reflect the importance of freshwater to all New Zealanders.
 - Focus management and monitoring of freshwater – we want councils to be able to manage only the contaminants that have an impact on freshwater in their region and set environmental limits appropriate to the catchments.
 - Simplify rules around wetlands and culverts to better balance protecting wetlands with incentivising wetland construction.
 - Further cut red tape for farmers by removing some stock exclusion requirements and making changes to fertiliser regulations.
 - Promote water storage and security.

- Enable commercial vegetable growing. We want to direct councils to enable the continued domestic supply of commercial vegetable growing and remove the need for consent to allow crop rotation.
- Improving drinking water protections through mapping source-water, which is a low-cost improvement to council management of risks facing drinking water, and part of the ongoing response to the 2017 Havelock North Drinking Water Inquiry.

Implementation of Intensification Planning Instruments

- High-growth councils were required to implement the intensification provisions in the National Policy Statement on Urban Development (NPS-UD) and the Medium Density Residential Standards through an intensification streamlined planning process.
- Most councils that were required to implement these provisions have done so or are anticipated to do so in the next few months.
- Auckland, Christchurch City and Waimakariri District Councils still have Intensification Planning Instruments (IPIs) in progress.
 - Auckland Council made decisions on parts of its IPI related to the city centre on 22 May 2025.
 - Christchurch City Council referred 20 recommendations to me, for decisions in relation to Policy 3 and 4 areas of the NPS-UD.
- Decisions made on Wellington City Council's IPI were judicially reviewed, with the High Court dismissing the application.

Phase 3 RMA Reform

- In Phase Three, the Government will introduce two Bills to replace the RMA that will separate land use planning and natural resource management – a Planning Bill and a Natural Environment Bill.
- The Planning Bill will focus on establishing a framework for planning and regulating the use, development, and enjoyment of land.
- The Natural Environment Bill will focus on establishing a framework for the use, protection, and enhancement of the natural environment.
- The new system will make it easier to build homes and infrastructure, strengthen enjoyment of property rights and will allow access to natural resources within limits.
- Policy work is well underway to introduce these two Bills into Parliament by the end of the year.

Engagement with iwi/Māori on RM reform

- Throughout the resource management reform programme, officials have undertaken engagement with Pou Taiao, Te Tai Kaha, post-settlement governance entities, and other representative Māori groups. This will continue through Phase Three.
- Some of the engagement has admittedly been limited by the pace of policy development.
- However, Cabinet has committed to upholding Treaty settlements and related arrangements through the reform, and officials will continue to work closely with post-settlement governance entities to consider how relevant arrangements will work in the new system.
- Cabinet has invited me to report back before the introduction of replacement legislation on a proposed Treaty clause for each new Bill. We are currently working with officials on how a descriptive Treaty clause and associated provisions can reflect the Crown's Treaty obligations in the replacement legislation.

Fast-track Approvals Act

- There has been good uptake in the fast-track regime. At 10 June 2025, the Minister for Infrastructure has referred three projects to the next step which allows them to lodge their substantive applications and is currently working on 15 additional referral requests. 14 substantive project applications are currently being processed for consideration by expert panels.
- Applications processing is cost-recovered, and a system has been established across the relevant agencies to ensure that these costs are identified.
- The Ministry and the Environment Protection Authority (EPA) continue to refine the application process through the portal. They are also developing additional guidance to ensure there is a good understanding of the Act's information and consultation requirements on applicants. Further refinements, including portal improvements are expected as projects go through the full Fast-track process from application to final decisions by the expert panels.
- The Waitangi Tribunal has received three requests for urgent hearings from iwi on the level of Māori involvement permitted by the Act in relation to various applications. This is not entirely unexpected with a new piece of legislation, and at 10 June the Tribunal had not made a decision on whether there are matters to be heard. Additionally, the EPA's completeness decision on the Stella Passage substantive application is subject to a judicial review challenge.

Budget 2025 and RM funding

- Budget 2025 provided two years of funding through to June 2027 for the National Direction programme, implementation of Resource Management Act Reform Phase 3, and to support the delivery of the business case.
- This funding is within Vote Environment and is a mixture of new baseline funding and reprioritisation of existing baseline funding.
- The total projected spend over two years is \$62.8m (2025/26 and 2026/27). This has been funded from a combination of:
 - Budget 2025 new funding (\$23.8m), and
 - The balance (\$39m) is reprioritised from the existing baseline.
- The Resource Management reform programme may require further funding beyond June 2027. Cabinet has requested a programme business case due by December 2025 to feed into the Budget 2026 processes.