

**To:** The Environment Select Committee

**From:** Wood Processors and Manufacturers Association of NZ

**Date:** 10 February 2025

**Subject:** **Resource Management (Consenting and Other System Changes) Bill submission**

**Contact for correspondence:**

Mark Ross

Chief Executive, Wood Processors and Manufacturers Association

[mark@wpma.org.nz](mailto:mark@wpma.org.nz)

027 442 9965

## **1. Introduction**

- 1.1 The Wood Processors and Manufacturers Association of New Zealand (WPMA) is appreciative of the opportunity to provide feedback on the second Amendment Bill to the RMA, that being the Resource Management (Consenting and Other System Changes) Bill.
- 1.2 As a general statement, WPMA is broadly supportive of the proposals contained within the Bill. Our core focus being on industry growth and development of New Zealand's infrastructure, whilst maintaining environmental protections.
- 1.3 WPMA notes that while the Bill is a standalone Bill, the Government is committed to further reform of Resource Management later this Parliamentary term. Phasing in the changes is supported by WPMA, with the need identified by government as to making necessary changes now to progress much needed infrastructure development and to provide incentives for industry growth.
- 1.4 Particularly important to WPMA is the Bills focus on making it easier to consent new infrastructure and remove unnecessary impediments to growth, including for renewable energy, building houses and for wood processing facilities.
- 1.5 The Wood Processors and Manufacturers Association would appreciate the opportunity to be heard in relation to our submission.

### **Key points are highlighted as follows:**

## **2. Resource consents for wood processing facilities**

- 2.1 Wood processing is a capital intensive and long-lived investment. The changes outlined under *Section 123B – Duration of consent for renewable energy and long-lived infrastructure*, of specifying a default duration of 35 years from the date of commencement with an increase in default lapse from 5 to 10 years of the consent being issued is supported. Though given the costs of establishment, a longer time could be considered as a further incentive to investment in new wood processing facilities as such structures will be operating for generations.
- 2.2 On the proposed default 35-year consent duration clause we do note that wood processing is not currently included in the definition for long-lived infrastructure although Clause 69 of the Bill amends section 360 of the RMA Act to '*provide a regulation-making power to the Minister to prescribe an activity or thing to be long-lived infrastructure*'. WPMA states that it is imperative that, if investment is to be made, both in establishment and upgrading, there must be certainty in the security of use of the site and a Minister needs to include certain wood processing developments as long-lived infrastructure, especially if they involve major

greenfield developments or developments in areas of biofuels and other bioproduct derivatives.

- 2.3 Hence, we strongly recommend to the Minister that 'wood processing' is included within the definition of long-lived infrastructure.
- 2.4 The assumption should be that approval can be maintained for the reasonable 'design life' of the plant and equipment. The cost and uncertainty of short duration (15+ years) consents and or short duration (5 year) consent review conditions should be the exception rather than the norm.
- 2.5 Specifying within the Bill that decisions on wood processing facilities and specified energy activities must be issued within one year of the consent application being lodged is welcomed by the WPMA. With examples of resource consent renewal taking up to 13 years and costing in excess of \$2 million due to the drawn-out regional council processes, a more efficient system is essential.
- 2.6 However, we do question how the maximum one-year consent process will be mandated by Government as Councils are notorious for drawing out consent processing. We recommend that to enable reassurance from the applicant, additional actions/clause is added to the Bill that specifies how the one-year maximum consenting will be monitored and enforced.

### **3 Infrastructure development and housing**

- 3.1 Having the same 35-year default duration for resource consents applying to "long-lived infrastructure" will also assist in supporting the energy intensive and transport reliant wood processing industry. The definition in the Bill to include gas pipelines, telecommunications networks, electricity facilities, transport structures, and cargo facilities is supported.

### **4 Renewable energy**

- 4.1 Although some mills are self-sufficient and the majority produce a large percentage of their own energy needs through log byproducts such as wood chips and bark, the wood processing industry remains an energy intensive industry relying on Generators for their electricity and gas supplies. With the cost of electricity and gas in the wholesale market increasing exponentially in 2024 several mills closed, while others paused or reduced production for extended periods.
- 4.2 Based on forecasts energy pricing is not going to materially change in the future to provide relief. Hence, it is important for the government to support short and longer-term relief measures to ensure that energy supplies remain stable.

4.3 By targeting amendments to renewable energy generation such as reduced consenting and re-consenting processes to within 1 year, plus default consent duration of 35 years, it is hoped that in the long-term there will be additional electricity and energy choice, hence reducing uncertainty around energy price and availability. Depending on meeting environmental requirements, making it easier to consent renewable energy consent application is supported.

## **5 Conclusion**

5.1 As a low net emissions industry, wood processing offers many public benefits, including being a high-value regional employer, adding value to commodities that are otherwise exported in raw form, along with providing domestic resilience in terms of the supply of building materials, residues for sustainable packaging and biofuel.

5.2 WPMA look forward to working alongside the resource management reform expert panel and officials to ensure that the new Resource Management settings are effective for incentivising future investment and growth within our industry.

## **The Wood Processors and Manufacturers Association**

### **About us:**

The Wood Processors and Manufacturers Association (WPMA) is a voluntary funded industry association with a strong focus on promoting wood as the heart of a future zero-carbon economy. Our members are leaders in the New Zealand wood industry converting harvested logs into a wide range of products including sawn lumber, pulp, paper, panels, laminated products, mouldings, and engineered wood, through to the development of bioenergy solutions. Total sales of industry products both domestically and globally in 2024 were approximately \$5 billion. The industry employs close to 30,000 staff, mostly in the New Zealand regions. For more details see <https://www.wpma.org.nz/>

### **Contact for correspondence:**

Mark Ross

Chief Executive, Wood Processors and Manufacturers Association

[mark@wpma.org.nz](mailto:mark@wpma.org.nz)

027 442 9965