

## Sweeping changes to National Direction under the Resource Management Act 1991

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### Introduction

The government has accelerated Phase 2 of its reform of the Resource Management Act 1991 (RMA) with its announcement of a series of proposed changes to National Directions (i.e. National Policy Statements NPS and National Environmental Standards NES). The announcement involves changes to all 12 of the current NPSs and NESs, as well as introducing four new instruments. The amendments have been categorised into four packages:

1. Infrastructure and development
2. Primary sector
3. Freshwater
4. Going for housing growth

The changes are now open for public consultation until **27 July**.

This article sets out the highlights from each announcement. Watch this space for more detailed updates as our dedicated team of resource management experts continues to review the proposed changes and what they may mean for you.

### Package 1: Infrastructure and Development

The government is taking action to address an infrastructure and energy shortage through its primary package of changes which it states are intended to set the stage for the replacement of the RMA that is scheduled to be introduced to the House next year. Changes include:

- **New NPS for Infrastructure:** To prioritise existing and new infrastructure in resource consent processes.
- **Strengthened NPS for Renewable Electricity Generation:** To provide clearer guidance on the importance of renewable energy and drive investment.
- **Expanding the scope of the NPS and NES for Electricity Transmission** to include electricity distribution, which will be renamed the NPS for Electricity Networks (**NPS-EN**) and NES for Electricity Network Activities (**NES-ENA**).

### Package 2: Primary Sector

The government has continued at pace with targeted changes that affect the primary sector, citing that: *“the primary sector is a key part of our economy, society, and our heritage.”* The announcement covers amendments to NES for Marine Aquaculture; NES for Commercial Forestry Regulations; the New Zealand Coastal Policy Statement; NPS on Highly Productive Land; Resource Management (Stock Exclusion) Regulations 2020; and other changes for mining and quarrying previously noted. The key changes from each are:

- **NES-Commercial Forestry:** Clarifying Regulation 6(1)(a) to tighten when councils can impose more stringent rules than what is provided for in the NESCF. Repealing Regulation 6(4A) which gives councils broad discretion to override the NES-CF for afforestation. Strengthening slash management through risk assessments.
- **NZ Coastal Policy Statement:** The amendments aim to make it easier to consent 'priority' developments in the coastal environment, including areas with specified coastal values.
- **Resource Management (Stock Exclusion) Regulations 2020:** Following the removal of the map of low slope land last year, the government has proposed to remove restrictions on non-intensive grazing of beef cattle and deer **in wetlands**.
- **NPS Highly Productive Land:** Removing Land Use Capability (LUC) 3 land from the current restrictions under the NPSHPL and providing a pathway for housing, business and mining growth.

### Package 3: Freshwater

The government has previously signalled changes to replace the NPS for Freshwater Management 2020 and the NES for Freshwater, and we now have insights into what those proposed changes include:

- **Rebalance Te Mana o te Wai:** To better reflect the interests of all water users while providing councils with greater flexibility and scope to manage, monitor, and plan for freshwater use.
- **Provision for commercial vegetable growing:** By establishing a new objective directing councils to consider stable domestic food supply, including by providing for crop rotation through regional plans.
- **Simplifying wetland regulations:** To recognise critical ecosystem services while simplifying rules. This includes excluding 'induced' wetlands (those created by human activity), removing the 'pasture exclusion' from the wetland definition, and proposing to permit farming activities in and around wetlands if they are unlikely to have adverse effects. Additionally, one proposal is to remove the requirement for councils to map all wetlands by 2030.
- **Support for Water Storage:** The proposals aim to better enable water storage projects to support long-term water security for farmers and other primary industries.
- **Protecting drinking water sources:** Through mapping Source Water Risk Management Areas.
- **Flexibility for the National Objectives Framework:** To establish which elements of the NOF are national priorities and are for councils to manage at a local level. Outlining which freshwater attributes require environment bottom lines (or limits) and which do not. Allowing some flexibility with national bottom lines and monitoring, to reflect local needs.

### Package 4: Going for Housing Growth

Described by the government as a measure to quickly support housing supply, the government is proposing new national direction to provide for 'granny flats' (small dwellings ancillary to a primary dwelling) and papakāinga (development of housing on Māori ancestral land):

- **NES for Granny Flats:** This NES would permit ‘granny flats’ up to 70 square metres in various zones, subject to conditions. This change would sit alongside proposed amendments to the Building Act, under which it is proposed that Building Consent **will not be required** for such structures.
- **NES for Papakāinga:** Similar to the above, this NES would permit small-scale papakāinga (up to 10 homes) on Māori land, subject to conditions.
- **Consistent National Framework:** The objective of these NES’s is to provide a uniform national framework, and rationalise the differing approach to these types of development across the country.

## Other Changes for Consenting Quarries and Mines

These changes aim to adjust consenting processes for quarries and mines, particularly in relation to wetlands and areas identified as significant natural areas and are relevant to a number of the packages. The reforms propose to:

- **Amend Wetland Provisions:** Aligning the terminology to ensure consistency with defined terms in the Planning Standards, including by replacing definitions for “mineral extraction” and “aggregate extraction” with “the extraction of minerals and ancillary activities” and “quarrying activities.”
- **Consistent tests for consents:** Adding operational need to the existing functional need gateway test for mining and quarrying in wetlands.
- **Clarify Ancillary Activities:** Clarifying that essential related (ancillary) activities for mining and quarrying have a consent pathway.
- **Broaden Benefit Consideration:** Remove the requirement for ‘public’ benefits of mining and allowing regional benefits to be considered, so any benefit to the activity can be considered. Proposes the consideration of “regional benefits” to the consent pathway.

## What Next?

These announcements do not have immediate legal effect and are subject to consultation and an environment select committee process. However, we expect most, if not all, of the announcements will pass through that process unscathed, consistent with the previous phases of the government’s RM Reform.

The government is aiming to have the 16 new or updated national direction instruments in place by the end of the year. Public consultation is open now until **27 July 2025**.

Watch this space for detailed insights on each of these packages from our dedicated team of resource management experts.