



11 May 2026

The Expert Panel – Fast-track Approvals Act application  
Environmental Protection Authority  
Waterloo Quay  
Wellington

To the Expert Panel

Thank you for the opportunity to comment on the substantive applications for the Central and Southern Blocks Mining Project (FTAA-2512-1153) and Bream Bay Sand Extraction Project (FTAA-2511-1150), under section 53(2)(j) of the Fast-track Approvals Act. My comments focus on whether these applications are likely to deliver economic benefits, based on the information provided by the applicants.

### ***Central and Southern Blocks Mining Project, FTAA-2512-1153***

The application seeks approvals to continue mining operations within the Central and Southern Blocks of the Taharoa Mine and the adjacent coastal marine area for a period of 35 years. The mine accesses New Zealand's largest known onshore deposit of titanomagnetite ironsand, which is exported primarily to China and Japan for use in steel production.

According to the economic assessment provided by the applicant, the operation currently generates approximately \$316 million in annual export revenue and, on a conservative basis, is projected to generate around \$14 billion in export revenue over the next 30 years (noting that forecasts are provided over a shorter period than the proposed 35-year consent term). Since returning to New Zealand ownership in 2017, the mine has generated approximately \$1.2 billion in regional spending and is expected to generate a further \$9 billion over the next 30 years (around \$298 million per year).

The assessment indicates that the operation supports approximately 350 full-time equivalent jobs, including employees and contractors, with an average remuneration of around \$150,000 per annum. The mine currently produces around 3 million tonnes of iron ore concentrate per year, with production capacity expected to increase to over 5 million tonnes per year if the approvals are granted. The mine's cumulative export contribution to date is reported to exceed \$5 billion in today's dollars.

The primary economic benefit of the proposal arises from enabling an established, nationally significant export operation to continue over the long term, supporting sustained export earnings, regional expenditure, and employment. The proposal is also broadly consistent with the Government's Minerals Strategy, which identifies ironsands as an existing mineral that can be scaled as part of an export-led growth pathway.

On this basis and having regard to the information provided by the applicant, the proposal may be assessed as having the potential to deliver significant regional and national economic benefits under section 22(2)(a)(iv) of the Fast-track Approvals Act.

### ***Bream Bay Sand Extraction Project, FTAA-2511-1150***

The proposal is to establish a new long-term marine sand extraction operation within the coastal marine area of Bream Bay, Northland, to supply sand suitable for concrete manufacture, primarily for the Auckland construction and infrastructure market. The application seeks approvals to extract sand for a period of 35 years, within an approximately 15.4 square kilometre extraction area. The proposed extraction volumes are up to 150,000 cubic metres per annum for the first three years, increasing to up to 250,000 cubic metres per annum thereafter, subject to monitoring outcomes.

The applicant has provided a formal assessment of economic effects which estimates total avoided costs of approximately \$383.1 million in present value terms over the life of the project, comprising \$258.2 million in avoided direct transport costs, \$104.0 million in avoided environmental costs (including \$34.4 million for the shadow price of carbon and \$78.2 million for health-related costs), and \$12.2 million in avoided social costs.

On an annual basis this proposal estimates the avoided direct transport costs at approximately \$0.3 million per year for the first three years, increasing by approximately \$10.5 million per year as extraction volumes increase. Annual avoided social costs (relating to avoided road injuries and fatalities) are estimated to be \$296,850 in the first three years, increasing to \$494,750 as tonnages increase.

The economic benefits of this proposal are primarily avoided costs and price effects associated with supplying a key construction input efficiently, rather than short-term construction impacts. The applicant provides an illustrative example indicating a medium-term delivered sand price range of \$35 to \$45 per tonne, and an additional transport cost of \$12 per tonne under a principal alternative scenario, representing an estimated increase of 27 to 34 per cent.

The proposal also notes broader market benefits, including lower sand prices that reduce the concrete price component of infrastructure project budgets, improved competition and market efficiency, and wider sand supply choices for end users which supports competition. The applicant further highlights supply resilience considerations, noting Auckland's reliance on a small number of sand sources and the role of additional supply in reducing the risk of price increases, rationing and supply constraints in the construction supply chain.

On this basis, and in regard to the information provided by the applicant, the proposal may be assessed as having the potential to deliver significant regional and national economic benefits under section 22(2)(a)(iv) of the Fast-track Approvals Act.

Yours sincerely



Hon Nicola Willis  
**Minister for Economic Growth**