

An update on RM reform and changes to National Direction instruments

Transformation of our national direction has been central to the government's RM reform scheme since day one. Recent announcements have seen a refocussing of this theme and a narrowed scope of change.

The coalition government's RM reform is centred around a three-phase approach.

- **Phase 1:** repeal the Natural and Built Environment Act 2023 (NBA) and Spatial Planning Act 2023 (SPA) (now complete)
- **Phase 2:** introduce a fast-track consenting regime within the first 100 days (now complete), make targeted legislative changes to the RMA in 2024, develop new, or amend existing, national direction under the RMA, and implement the Going for Housing Growth work package
- **Phase 3:** replace the current RMA with new resource management legislation based on the enjoyment of property rights, while ensuring good environmental outcomes.

On 1 July 2024 [Cabinet](#) agreed to amend 14 existing, and create seven new national direction instruments. The consultation and gazettal of these national directions were intended to be complete by mid-2025. However, the most recent [Cabinet paper](#) released on 24 March 2025 (and based on the EAG's [Blueprint for resource management reform report](#)) sets out a 'refocused' approach to national direction under phase 2 of the RM reform. The scope of national direction changes under phase 2 has been narrowed to target selected instruments. In the [second quarterly Action Plan for New Zealand](#) released 1 April 2025, the Coalition Government sets out their intention to:

"begin public consultation on National Direction to the Resource Management Act to unlock development in infrastructure, housing, and our primary industries."

Following consultation, these changes will be implemented under the current RMA framework. The national direction changes that rely on RMA plan changes or the proposed reform framework will now be incorporated into phase 3 of the reform (by mid-2027).

Rescoped Phase 2 changes to National Direction

The government has released minimal information around the detail of how these instruments will be amended and portions of the Cabinet Papers remain redacted and confidential.

The available information has been set out below:

- effects management hierarchies will not be progressed through any of these instruments in phase 2, this process will be delayed until phase 3 and implemented under the new regime

National Policy Statement Proposals

- National Policy Statements on Infrastructure, Renewable Electricity Generation and Electricity Transmission: More enabling objective and policies for these NPSs will be introduced. These are to be supported by technical amendments to existing NESs for telecommunication facilities and electricity transmissions activities.
- NZ Coastal Policy Statement: More enabling policies for aquaculture and other activities in the coastal marine area are to be developed and implemented.
- National Policy Statement on Highly Productive Land (**NPS-HPL**): Land Use Capability 3 (**LUC-3**) will be removed from the definition of highly productive land. All other changes to the NPS-HPL will be postponed until phase 3.
- National Policy Statement on Freshwater Management (**NPS-FM**), National Policy Statement on Indigenous Biodiversity (**NPS-IB**) and NPS-HPL: consistent and defined tests for extractive activities will be created and applied across these three NPSs to enable consistency in quarrying and mining.

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- National Policy Statement on Urban Development (**NPS-UD**): this will no longer be amended in Phase 2. Consultation on an urban development and housing policy package will be delivered under the new RM regime.

Updated Freshwater Package (NPS-FM and National Environmental Standard for Freshwater (NES-F))

The following amendments will be sought under phase 2:

- Rebalancing Te Mana o Te Wai (hierarchy of priorities) within the NPS-FM
- Technical improvements to stock exclusion regulations
- Drinking water proposals
- Enabling vegetable growing and water storage

A timeline on public consultation for these freshwater proposals was expected in March 2025, however, this is yet to be released by Cabinet. There is little further detail available on these proposed amendments.

Changes to the NPS-HPL

National campaigned on amending the NPS-HPL to remove LUC-3, the lowest classification of protected land under this policy statement. On the 27 March 2025, Minister responsible for RMA reform, Chris Bishop announced this campaign policy was becoming a reality. He believes that the balance between protecting the country's most productive land with the need for more housing is "out of whack". Two thirds of land currently protected by the NPS-HPL is classified as LUC-3. Removing this category of land from its current protected status is intended to open up land equivalent to the size of the Waikato region for greenfield housing development.

The government has announced intentions to allocate \$100 million to developers for housing infrastructure under their National Infrastructure Funding and Financing Agency (**NIFFCo**). NIFFCo will lend funds to an Infrastructure Funding and Finance Act Special Purpose Vehicle at very competitive interest rates during the development phase of a project. This

funding will be aimed at supporting greenfield projects, developments on previously undeveloped land, much of which falls under the current LUC-3 category of land protection.

Want to know more?

If you have any questions about proposed changes to the national direction, please contact our specialist [Resource Management team](#).