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## MEDIA RELEASE

### FOR IMMEDIATE RELEASE

#### ***IAGC: NZ's offshore exploration ban bill reinforces flawed decision-making***

**Houston, Texas, US** – The New Zealand Government's introduction of a bill banning new offshore exploration is a clear demonstration of putting extreme environmental politics ahead of the sentiments of the people and economy of New Zealand. Seismic surveys are the gateway to energy investment, and the efforts of this Government will result in a disastrous outcome with the nation losing an estimated \$7.9 billion NZD.

The International Association of Geophysical Contractors (IAGC) is disappointed that the changes contained within the proposed bill, to give backing to its political announcement some months ago, will not allow our members nor New Zealanders to fully realize the value of the more than \$70 million USD investment that the seismic industry has made in offshore New Zealand since 2013. The IAGC's members invested in New Zealand with an expectation that its laws would be reliable and regulatory regime stable.

Contrary to the Prime Minister's assertion that with these proposed changes, "All existing permits are protected and will be allowed to run their full course – meaning we have many years' worth of gas supply remaining and exploration will continue," this is not the case. The holders of existing petroleum prospecting permits will not be able to realize returns on their investments.

Even as the world moves to expanding the use of renewable energy sources, the fact remains that oil and gas will play a significant role in the world's economy for many decades to come, and according to the [International Energy Agency](#), will still make up about half of the energy resources by 2040.

The Government's action deliberately ignores these matters and the significant impact that the bill will have on New Zealand's economy. Employment rates in New Zealand will decline, oil and gas supplies will be affected and there will be a consequential increase in oil, gas and electricity prices.

We strongly condemn this action by the New Zealand Government and oppose this bill which undermines investment made in the country by companies already anticipating future exploration activities. It disrupts business certainty across sectors and is already affecting [investor confidence](#) in New Zealand.

Finally, the Government continues to move forward making decisions in a vacuum and without any consultation or notification to the industry. The [IAGC](#) urges the New Zealand Government to reconsider this short-sighted decision with engagement from the affected industries.

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## **About the IAGC**

The IAGC represents more than 110 member companies worldwide from all segments of the geophysical and exploration industry and is the only trade organization solely dedicated to representing the industry. It is the leader in geophysical technical and operations expertise. For more than 45 years, the IAGC has worked to optimize the business and regulatory climate, and enhances public understanding to support a strong, viable geophysical industry essential to discovering and delivering the world's energy resources.

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