



Office of Hon Dr Nick Smith

MP for Nelson

Minister of Housing

Minister of Conservation

Minister for Building and Construction

29 MAY 2014

Dear Correspondent

I refer to your previous correspondence to me on the concession proposal by Riverstone Holdings Limited (RHL) for a monorail through the South West New Zealand World Heritage Area including the Snowdon Forest and Fiordland National Park, as part of the larger 'Fiordland Link Experience'.

The Fiordland Link Experience proposed a new link between Queenstown and Milford Sound consisting of a 20-kilometre boat excursion access across Lake Wakatipu to Mt Nicholas Station, a 45-kilometre all-terrain vehicle ride to Kiwi Burn, a 43.8-kilometre monorail ride to Te Anau Downs and a 90-kilometre coach journey to Milford Sound.

I have given the concession proposal very careful consideration and decided to decline it.

I consider that the uncertainties around the environmental impacts of the proposal are significant and beyond what are appropriate in some of New Zealand's most spectacular conservation areas. I do not consider the proposal to be consistent for the conservation purposes of the land, or the area's world heritage status.

I also have concerns about the financial viability of this proposal. The risk for the Government is that the project is left half-completed with a clean-up liability for the public.

I appreciate my decision will be a disappointment to the applicants and their supporters. I do not want this decision interpreted as the Government and the Department of Conservation being opposed to any proposal for alternative access options in Fiordland. The strategic issue of facilitating better transport options between Queenstown and Milford remains. The door is still open but proposals will need to be both environmentally sustainable and economically viable.

This conservative decision reflects the cautious approach I have to developments in Fiordland. This World Heritage Area has some of New Zealand's most highly valued and spectacular landscapes that require I err on the side of nature.

Thank you for your interest in this matter.

Kind regards

Hon Nick Smith
Minister of Conservation