



Te Kāwanatanga o Aotearoa
New Zealand Government

Te hau mārohi ki anamata

Towards a productive, sustainable and inclusive economy

AOTEAROA NEW ZEALAND'S FIRST
EMISSIONS REDUCTION PLAN

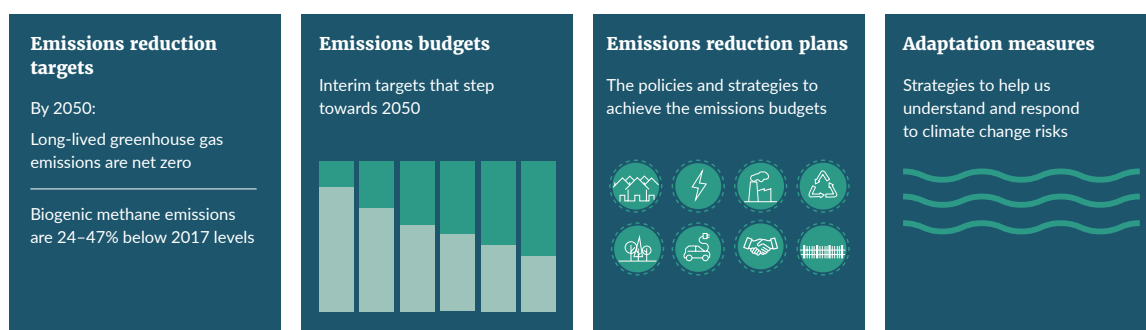
AT A GLANCE



Our journey towards a productive, sustainable and inclusive economy

The transition to a low-emissions economy is a significant opportunity to improve our economic prosperity, lower the cost of living, restore nature, address inequality and improve living standards for all New Zealanders. Climate action is an investment in higher paying jobs, more productive businesses and resilient supply chains.

The emissions reduction plan sets out how Aotearoa New Zealand will reduce our impact on the climate



The emissions reduction plan puts Aotearoa New Zealand on a path to achieve our long-term targets and contribute to global efforts to limit temperature rise to 1.5°C above pre-industrial levels. The actions in this plan enable us to meet our first emissions budget. This requires Aotearoa to reduce our emissions by an extra 11.5 megatonnes of carbon dioxide equivalent (Mt CO₂-e) between 2022 and 2025. This is the emissions equivalent of approximately 4.3 to 5.5 million petrol-based cars driving 10,000 kilometres a year.

The plan builds on the steps we have already taken to address climate change, including:

- ▶ passing the Climate Change Response (Zero Carbon) Amendment Act in 2019
- ▶ major reforms to the New Zealand Emissions Trading Scheme
- ▶ the end of new offshore fossil fuel exploration
- ▶ putting the public sector on the path to carbon neutrality by 2025
- ▶ sustainable finance reforms such as introducing a world-first climate reporting legislation, changing default KiwiSaver providers and establishing the New Zealand Green Investment Finance
- ▶ major investment in public transport and rail, as well as programmes to encourage New Zealanders to buy cleaner vehicles (eg, Clean Vehicle Discount).

The plan sets out actions that we can all get behind. Working together, we can build a better future for all New Zealanders.

Lowering living costs and supporting households to thrive

Action to address climate change will make New Zealanders better off. The transition to a low-emissions economy provides an opportunity to lower the cost of living in Aotearoa and improve living standards.



IMPROVING ACCESS TO AFFORDABLE, SUSTAINABLE TRANSPORT OPTIONS

The emissions reduction plan will help us move away from fossil fuels and reduce exposure to volatile global fuel markets. The Government will help households reduce their transport emissions by improving access to affordable, sustainable transport options, including by:

- ▶ continuing the Clean Vehicle Discount to help New Zealanders purchase low- and zero-emission vehicles and reduce their fuel and vehicle maintenance costs
- ▶ improving electric vehicle charging infrastructure across New Zealand to ensure that all New Zealanders can charge when they need to
- ▶ making cleaner vehicles and low-emissions alternatives affordable for low-income households through a vehicle scrap-and-replace scheme
- ▶ improving travel choices and accessibility by providing people with more convenient, affordable and frequent buses and trains, as well as safer walkways and cycle lanes.

Actions such as these will help put us on track to make zero-emissions vehicles 30 per cent of light vehicles (cars, vans, utes) and reduce the total kilometres light vehicles travel by 20 per cent by 2035.





SUPPORTING SUSTAINABLE, HEALTHY AND AFFORDABLE HOMES

We'll increase our health and prosperity with healthier homes and sustainable communities by:

- ▶ helping low-income households with funding for heating and insulation upgrades through the Warmer Kiwi Homes initiative
- ▶ improving insulation standards so new buildings will be warmer and drier while requiring 40 per cent less energy to heat
- ▶ improving our urban environments and increasing housing supply and affordability (through Resource Management reform, urban development policy direction and infrastructure investment)
- ▶ funding and supporting community renewable energy generation, including through the Māori and Public Housing Renewable Energy Fund.



MAKING IT EASIER TO REDUCE ORGANIC WASTE AND MANAGE IT RESPONSIBLY

The Government will support every household to play a part, making it easier to reduce organic waste by:

- ▶ supporting households and businesses to prevent food waste
- ▶ increasing kerbside collection of food scraps, so that most households have access to a food waste collection service by 2030
- ▶ investing in waste infrastructure such as composting and other organic processing and resource recovery facilities.



Building a prosperous Aotearoa New Zealand through high-value exports and innovation

The plan builds Aotearoa New Zealand's reputation as a provider of clean, green and safe products.

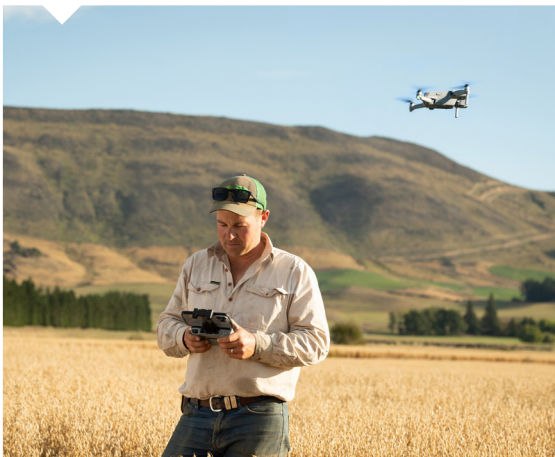
To keep up with global customer expectations, we must reduce the footprint of our products and continue to build new export opportunities – especially for our food and fibre industries.

Building our brand as one of the most sustainable producers of food and fibre in the world



The actions in the plan will ensure Aotearoa New Zealand is one of the most sustainable providers of food in the world. This will be achieved by:

- ▶ incentivising farmers to reduce their impact on the climate by being the first in the world to introduce a price on agricultural emissions from 2025
- ▶ establishing a Centre for Climate Action on Agricultural Emissions to accelerate getting emissions-reduction tools, practices and technologies on farm
- ▶ working alongside farmers with climate-focused farm advisory and extension services
- ▶ funding tikanga-based agriculture programmes to support the aspirations of Māori
- ▶ increasing the value of our forestry sector by supporting low-emissions products and accelerating the bioenergy market.



Improving productivity and giving businesses greater control over their energy use and costs

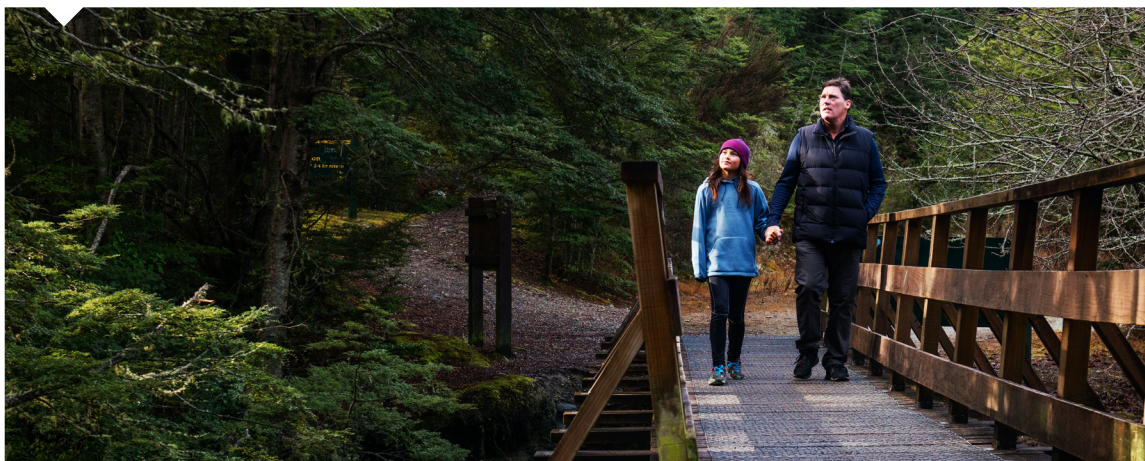
Adopting clean technologies and improving sustainability will make our supply chains and industries more productive. This includes moving to low-emissions manufacturing, freight and aviation.



The Government will enable sustainable supply chains by:

- ▶ supporting businesses to improve energy efficiency, reduce costs and switch from fossil fuels to low-emissions alternatives through continuing the Energy Efficiency and Conservation Authority's [business programmes](#) and expanding the [Government Investment in Decarbonising Industry fund](#)
- ▶ banning new low- and medium-temperature coal boilers and phasing out existing ones by 2037
- ▶ developing a gas transition plan to set out a path away from fossil gases and explore opportunities for renewable gases
- ▶ ensuring emissions from freight transport are reduced by 35 per cent by 2035 through initiatives such as the Sustainable Biofuels Obligation, supporting uptake of zero-emissions trucks and enabling low- and zero-carbon shipping on key trade routes
- ▶ working with the private sector to accelerate Aotearoa New Zealand's bioenergy market
- ▶ enabling sustainable tourism and export industries through initiatives such as the Sustainable Aviation Fuels Partnership with Air New Zealand.

The plan will also support the growth of new industries such as green hydrogen and the bioeconomy, and put Aotearoa on a path to a circular economy by 2050.



Embracing innovation and technology to lower emissions and improve living standards

New technologies will allow Aotearoa to reduce emissions, increase productivity and improve living standards for all.

Low-emissions technologies are already available to assist our transition, and the Government is backing innovators to come up with more.

We also have generations of indigenous knowledge to guide our transition to a low-emissions economy. The Government's [Vision Mātauranga](#) policy enables the science and innovation potential of Māori knowledge and a holistic worldview that centres nature in technological advances.



The Government is already driving Aotearoa to a more innovative future through its \$800 million investment in climate-related research, science and innovation.

- ▶ The Energy Efficiency and Conservation Authority's [technology demonstration](#) programme supports businesses to adopt proven technology or innovative process improvements.
- ▶ The Government's Advanced Energy Technology platform supports technologies that could radically shift the global energy landscape and develop market opportunities.

Climate innovation platforms will bring domestic and international innovators, governments, entrepreneurs and experts together to discover and embrace new clean technologies.

Enhancing nature in all aspects of our economy and landscapes

Our precious native forests and plants store carbon, increase our resilience to impacts of climate change and support our biodiversity and wellbeing. Protecting, enhancing and restoring nature is at the heart of our response to the climate and biodiversity crisis.



Key actions to support nature-based solutions include:

- ▶ encouraging greater levels of native afforestation to build a long-term carbon sink (where carbon dioxide is removed from the atmosphere) that supports biodiversity
- ▶ reducing the costs of restoring our native forests and delivering pest control that will help our native ecosystems thrive and remove more carbon
- ▶ protecting our native vegetation and the carbon it stores from climate change impacts
- ▶ prioritising nature-based solutions, such as dunes and wetlands, to remove and store carbon and provide protection from flooding and rising sea levels.

Enabling an equitable transition for Māori, led by Māori

We need to ensure an equitable transition for Māori, led by Māori, to uphold Māori rights and interests under Te Tiriti o Waitangi. Achieving an equitable transition means building Māori–Crown relationships and capability, so that we can progress our climate response work as partners.

The plan includes Māori and government working together to:

- ▶ develop a new platform for Māori climate action that will enable tangata whenua to actively participate in the climate response
- ▶ develop a Māori climate strategy and action plan that will elevate te ao Māori and mātauranga Māori within the overall climate response
- ▶ ensure the right funding and resourcing for community action, kaupapa Māori, and tangata Māori actions and solutions.

The emissions reduction plan will ensure no one is left behind

Our transition will require us to change the way we do things over the next 30 years. Workers, whānau and households, business and industry, Māori, regional communities and economies, and wider communities need to be supported through this period of change.

The plan includes actions to ensure an equitable transition, for example:

- ▶ providing new jobs in low-emissions industries
- ▶ supporting regions and communities to plan for the transition
- ▶ partnering with groups from across Aotearoa, including BusinessNZ and the New Zealand Council of Trade Unions to address challenges and opportunities, and support an equitable transition
- ▶ reforming the education and training system to support people to develop the skills needed for a low-emissions economy
- ▶ employment support, including retraining, skill-enhancement opportunities and income assistance to support workers and households.

The Government will lead by example

The Government launched its Carbon Neutral Government Programme (CNGP) to combat climate change and accelerate emissions reductions within the public sector.

The CNGP requires a number of public sector agencies to achieve carbon neutrality by 2025.

The CNGP is backed by the State Sector Decarbonisation Fund, which invests in projects that will have the greatest impact on emissions. This includes:

- ▶ replacing 12 large and active coal boilers across the government estate
- ▶ a commitment to replace all remaining coal boilers in schools (around 180 boilers) by 2025
- ▶ co-funding to purchase almost 1,000 electric vehicles, as well as other low-emissions projects.

Our journey to a productive, sustainable, inclusive economy: A snapshot

Thriving households

WHAT'S UNDERWAY

- ▶ More than 1,100 electric vehicle (EV) chargers co-funded across Aotearoa with more to come.
- ▶ The Clean Vehicle package has helped triple monthly EV sales.
- ▶ The Warmer Kiwi Homes initiative helps fund heating and insulation upgrades for low-income households.
- ▶ The National Policy Statement on Urban Development to allow more housing close to urban centres and rapid and active transport routes.



WHAT'S COMING

- ▶ Most urban households to have access to a food waste collection service by 2030.
- ▶ All municipal landfills to have landfill gas capture systems by 2026.
- ▶ Zero-emissions public bus mandate established by 2025.

OUR GOALS

The total distance travelled by the light fleet (cars, vans, utes) is reduced by 20 per cent by 2035.

Zero-emissions vehicles are 30 per cent of the light fleet by 2035.

Improved insulation standards mean new buildings are warmer and drier and require 40 per cent less energy to heat.

Faster, frequent and convenient buses and trains and safe walkways and cycle lanes through our cities.

Enhanced nature

WHAT'S UNDERWAY

- ▶ Over 5,000 new nature-based jobs and support for planting native trees and restoring ecosystems.
- ▶ Aotearoa New Zealand Biodiversity Strategy is being implemented across the motu.



WHAT'S COMING

- ▶ Enhanced forestry planning and advisory services to be fully operational in 2023.
- ▶ Increased scale and reduced cost of native seedlings through improved technology use and management.
- ▶ Carbon Neutral Government Programme will use native forests to help sequester emissions from 2025.

OUR GOALS

Greater levels of native afforestation create long-term carbon sinks that benefit biodiversity.

Nature-based solutions are used to provide protection from the impacts of flooding.

Our native forests and the carbon they store are protected from the impacts of climate change.





High-value exports and innovation

WHAT'S UNDERWAY

- ▶ He Waka Eke Noa, a partnership between government, industry and Māori to develop an agricultural emissions pricing system and prepare farmers for this change.
- ▶ Around \$200 million invested in agricultural emissions research has established the evidence base for new mitigation tools and technologies, capability and international leadership.



WHAT'S COMING

- ▶ Establish a Centre for Climate Action on Agricultural Emissions to get emissions reduction tools, practices and technologies into the hands of farmers sooner.
- ▶ Complete a pilot of farm-level accounting and emissions reporting by 2023.
- ▶ Agricultural emissions are priced from 2025.
- ▶ All farms have emissions reports by the end of 2022 and mitigation plans by 2025.

OUR GOALS

Aotearoa is one of the most sustainable producers of food and fibre in the world.

Farmers can access advanced mitigation technologies that support our pastoral farming systems.

Biogenic methane emissions from agriculture and waste are 10 per cent lower by 2030 and 24–47 per cent lower by 2050 (compared to 2017 levels).



WHAT'S UNDERWAY

- ▶ Multi-million-dollar co-investment in industry decarbonisation and economic growth.
- ▶ Mandatory climate-related risk reporting for listed companies and financial institutions.
- ▶ New Zealand Green Investment Finance to accelerate investment in our low-carbon future.
- ▶ End to new offshore fossil fuel exploration.

WHAT'S COMING

- ▶ Embed Te Tiriti, mātauranga Māori, and Māori aspirations in our research, science and innovation system through the Vision Mātauranga policy.
- ▶ Grow research and development spending across Aotearoa to 2 per cent of GDP by 2030.
- ▶ Use climate innovation platforms to drive the discovery and adoption of new clean technologies.
- ▶ Develop an energy strategy by the end of 2024.

OUR GOALS

Aotearoa has a circular economy with a thriving bioeconomy by 2050.

Half of all energy we use is from renewable resources by 2035.

Incorporating mātauranga Māori supports better decision-making throughout the climate response.





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Manatū Mō Te Taiao



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New Zealand Government

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