

Te mekameka anamata tuku atu ki Aotearoa | New Zealand's supply chain into the future

New Zealand's supply chain faces unprecedented challenges. This means we must make important decisions on its future.



Trucks, trains, vessels, and planes move about 280 million tonnes of freight a year around New Zealand. Alongside our infrastructure network they form a complex and interconnected system to get goods to customers.



New Zealand is dependent on an international network of shipping lines, ports, and routes to import essential goods and deliver our exports to market. This network is vulnerable to disruption.



Our freight system impacts all New Zealanders. A 2012 study, found freight costs made up 1-12% of the total cost of supermarket goods. Prices are affected by things like road quality, port efficiency, and rail capacity.



Our trade with the world is growing, which means our ports and airports are getting busier – and there is growing demand for domestic freight.

The New Zealand Freight and Supply Chain Strategy

We have an opportunity to take a step back and consider the big picture. The Strategy will cover the next 15-30 years and lay out:

- Collectively what we want the system to achieve – our objectives, outcomes, and vision.
- How we will get there pathways and priority actions.
- How we will work together how government works with others, how we make trade-offs, the roles of different organisations.

Why a strategy?

Given the challenges we are facing, the supply chain may need new approaches to cooperation, regulation, and investment over the coming decades to meet New Zealand's expectations. We want to identify the best possible mix of activities and funding to ensure New Zealand can flourish.

What will it achieve?

The Strategy will:

- Improve the ability of government to make good decisions
- Build a common view between supply chain participants on our long-term objectives
- Give supply chain participants clarity on government's priorities

15-30

The Strategy will cover the next 15-30 years

125%

By 2035, 20% more freight will be moved than today, but the system will have to produce 25% less emissions.



Drivers for change

New Zealand needs a supply chain able to grow and adapt to support:



Decarbonisation -

Net zero carbon emissions by 2050 to meet our climate change mitigation obligations – as part of a global plan to prevent the worst impacts of climate change.



Resilience -

Prepared for future threats and events including extreme weather and other natural disasters, rising sea levels, national security, and disruption to supply lines.



Productivity and innovation –

While facing these challenges we need to be able to adopt new technologies, access skilled labour, and support the economy to grow.



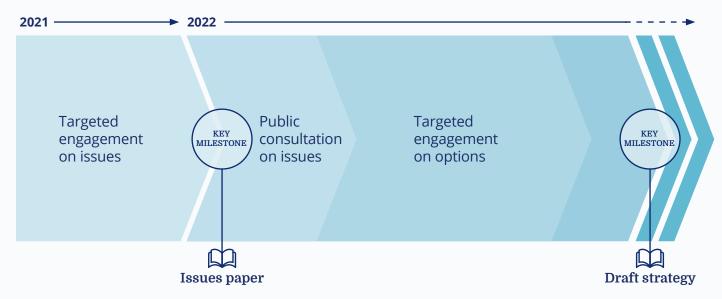
Wellbeing – We expect our freight investments and infrastructure to provide broader benefits to people, communities, and the country.

Our process

The complexity of the system means we need to hear from a broad range of stakeholders including our Treaty partners, local government, those operating in the freight transport system, and partner government agencies over a two-year period.

We will start in 2021 with a focus on the issues in the system, and what we want to achieve. Next year we'll focus more on the options and priorities to achieve the objectives we've identified.

We expect this work will take around two years to complete, with key milestones shown below.





We welcome input from a broad range of stakeholders. If you would like to engage with us on the Strategy or be kept updated on our progress, please email:

supply.chain@transport.govt.nz.

You can also use this email address to ask questions.

For more information visit www.transport.govt.nz/supplychain