

FAQs - Indicative strategic priorities for GPS 2024

January 2023

What is the purpose of these indicative strategic priorities?

The purpose of releasing the Indicative Strategic Priorities for the Government Policy Statement on Land Transport 2024(GPS) is to signal the outcomes the Government is intending to achieve through its land transport priorities in the GPS.

The Government wants to do this early to encourage councils to begin building these signals into their planning while also providing opportunities to provide feedback before formal consultation on the draft GPS takes place later in 2023.

What are the indicative priorities for GPS 2024?

The Government is signalling an overarching focus on emissions reduction – ensuring it is the core consideration across all investment decisions – supported by five other proposed strategic priorities:

- Sustainable urban development
- Safety
- Integrated freight system
- Maintaining and operating the system
- Resilience.

Are these priorities likely to change?

The Indicative Strategic Priorities represent the intended directions for GPS 2024, prior to consultation.

Te Manatū Waka Ministry of Transport welcomes the opportunity to engage with you on the directions outlined in this document.

You can contact the GPS team via gps@transport.govt.nz

Your early feedback on these indicative priorities, and feedback received during the formal public consultation on the full draft of the GPS later this year will help in the development of the final version of GPS24.

The GPS is planned to be finalised by mid-2023 (a year ahead of Waka Kotahi adopting the next National Land Transport Programme). The National Land Transport Programme is a three-year programme that allocates the National Land Transport Fund to national and regional activities in a way that gives effect to the GPS priorities.

How can we ensure we maintain acceptable levels of service with the available funding?

The land transport funding system is facing significant pressures due to rising demands and costs.

In the shorter term it will be necessary to prioritise effectively and strengthen the focus on value for money.

For the longer term, work is underway on the [Future of the Revenue System](#) that will consider how we pay for transport 30 to 50 years into the future. The project is a first-principles approach on how the land transport revenue system, might be configured in future to make it more sustainable in our changing context of climate change and increasing cost pressures.

This project will take time, and we expect to undertake substantive stakeholder and public engagement. In the meantime, officials will continue to advise Ministers on current land transport revenue settings (including petrol excise duty, road user charges, and Crown contributions) to support delivery of the GPS and the National Land Transport Programme (NLTP).

What does the elevation of emissions reduction to an overarching focus mean?

The intention of the overarching focus on emissions reduction is to set an expectation that emissions impacts are considered in all investment decisions, and the government's overall transport investment programme must be consistent with the Government's target of reducing transport emissions by 41 percent (from 2019 levels) by 2035, as outlined in the Emissions Reduction Plan (ERP). However, it does not mean every individual investment must result in reduced emissions.

As signalled in the [Decarbonising Transport Action Plan](#), the draft GPS will include a high threshold for investments that are inconsistent with emission reduction objectives. More work (led by the Ministry of Transport) is underway to confirm how this threshold will operate.

We are open to feedback on how the emissions-reduction focus is incorporated and communicated to drive the right incentives and outcomes and avoid any unintended consequences. The release of the draft GPS (anticipated in April 2023) will provide another opportunity to provide feedback on this.

While the overarching focus on emissions reduction signals a clear intent from the Government, in practice, it does not mean that every individual investment must reduce emissions. It means that the suite of investments covered by the GPS will reduce emissions as a whole.

Does this mean that if activities do not reduce emissions, then these will not get funded?

Not necessarily. The GPS will support investment in a range of outcomes alongside emissions reductions (as covered by the five strategic priorities). For example, we expect many safety improvements, such as median barriers, to be funded that will not reduce emissions on their own. However, investments across RLTPs and NLTPs, over time, will need to reduce emissions as a whole.

Priority is likely to be given to investments that deliver benefits across multiple outcomes and priorities. Crown funding may also support transport investments that reduce emission, including through the Climate Emergency Response Fund which is dedicated to climate change-related initiatives.

There is further work underway to clarify the relationship between the 'overarching focus' on emissions reduction and the five other strategic priorities – so that these can be appropriately reflected in investment decision making tools and processes (such as the Investment Prioritisation Method used by Waka Kotahi).

How should we integrate VKT (Vehicle Kilometres Travelled) reduction into the development of our Regional Land Transport Plan (RLTP)?

The ERP sets a target to reduce total vehicle kilometres travelled (VKT) by our light vehicle fleet by 20 percent (relative to projected growth) by 2035 through improved urban form and providing better travel options, particularly in our largest cities. This target applies to all light vehicles, not just those directly powered by fossil fuels. This represents about a one percent reduction in VKT compared to 2019 levels, assuming ongoing population growth and urban development.

Later this year, the Government will publish sub-national VKT reduction targets for Tier 1 and 2 urban areas. These proposed targets have been calculated based on each urban area's ability to reduce VKT, and will add up to ensure we meet the national target.

Later in 2023, Waka Kotahi will publish a national plan to outline what it will take to reduce VKT by light vehicles in ways that create better cities for people. This will provide a framework for Waka Kotahi to work with councils, iwi, and communities to develop programmes for reducing car dependency and use by improving alternatives. These programmes for Tier 1 and Tier 2 urban areas will need to be integrated with the RLTPs.

While this work is underway, you should consider how any proposed activities in your RLTP could affect VKT by light vehicles. Projects that reduce VKT by light vehicles are more likely to be funded than projects that significantly increase VKT.

As signalled through the Indicative Strategic Priorities, GPS 2024 is likely to support councils to invest in activities that reduce car dependency and use, by allocating funding to activities such as improvements to public transport and active travel networks.

What does this mean for funding?

These indicative priorities signal the overall direction for land transport investment. As with any GPS, any funding of projects or services from the NLTF must be consistent with the direction set through the Strategic Priorities.

GPS 2024 will also need to cover other sources of funding that the Crown may decide to contribute. This includes, for example, Crown contributions to rail, the Climate Emergency Response Fund and the New Zealand Upgrade Programme.

This document does not set out projections about available transport investment, including the National Land Transport Fund. This information will be included in the draft GPS.

There is likely to be substantial pressure on the availability of funding from the National Land Transport Fund. As in the past, there will be the need to prioritise investments and make difficult trade-offs, including deferring and/or scaling co-funding commitments to prioritise those projects, activities or services that can best support the strategic priorities in GPS 2024.

Strengthening partnership with Māori

The Government has highlighted in the Indicative Strategic Priorities that those involved in the transport sector have responsibilities to work in a way that is consistent with te Tiriti o Waitangi and section 18H of the Land Transport Management Act 2003.

This involves building enduring partnerships with whānau, hapū and iwi, and national organisations to reflect Māori aspirations in future transport initiatives.

Does this affect the current National Land Transport Programme?

No. The current [GPS 2021](#) applies until the end of this 2021-24 NLTP period (June 30 2024).