

Briefing to the Incoming Minister (System) | He pepa whakamōhiotanga mō te Minita

Ministry of Transport Te Manatū Waka

November 2023

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A snapshot of your portfolio

Jobs

Around 200,000
New Zealanders are employed in transport-related industries
(5% of the workforce)

Environment

Light commercial 21%
Light passenger 49%
Heavy 30%

GHG emissions by vehicle type

Domestic transport share of emissions

40% CO₂

17% all greenhouse gases

Roads

11,201km
of state highways

86,152km
of local roads

4.8 million
registered vehicles in the fleet

374 road fatalities
in 2022

3.8 million
licensed drivers
at 1 July 2023

250,000
new licenses
issued annually

Rail

4,100km
of rail line

10 rail fatalities
in 2022

74.9%
of all journeys made on strategic freight and tourist routes achieved the predictability travel time target (2022/23)

16% public transport < **43% by car**

% of jobs that are accessible within 45 minutes during weekday morning peak (2022/23)

Maritime

\$65.8 billion worth of NZ's exports

\$70.7 billion of imports are carried by sea (2022/23)

\$6.5 billion marine economy contribution to NZ's economy (2021/22)

37 maritime fatalities in 2022

Auckland 25.8%
Wellington 15.8%
Christchurch 23.6%

% of population with access to frequent public transport services (2021/22)

Freight

\$65.8 billion worth of NZ's exports

\$70.7 billion of imports are carried by sea (2022/23)

37 maritime fatalities in 2022

Share of domestic freight 2018/19 (Net tonne km)

Coastal shipping 13%
Rail 11%
Road 77%

Aviation

11.85 million passengers screened at aviation security in 2022/23

88% of passengers processed within 10 minutes

2,022 aeroplanes
902 helicopters
332 amateur-built aeroplanes

358,346 commercial passenger flights in 2022/23

Compared with:
253k in 2021/22
382k in 2019/20 (pre-COVID)

Safety

30 million km² extent of NZ's search and rescue region - one of the largest in the world

17 to 27 reports on domestic inquiries published by TAIC each year

Aviation

2,022 aeroplanes
902 helicopters
332 amateur-built aeroplanes

3 aviation fatalities in 2022

17 to 27 reports on domestic inquiries published by TAIC each year

Shaping New Zealand's transport system

Introduction

This briefing describes your role and responsibilities as the Minister of Transport (the Minister), along with those of the Ministry of Transport Te Manatū Waka (the Ministry), government transport agencies, transport Crown entities, State-Owned Enterprises (SOEs), and key stakeholders you will work with. It also outlines the tools available to you for influencing the transport system and enabling better outcomes for everyone in New Zealand.

This briefing should be read with the *Strategic Briefing to the Incoming Minister*.

The transport portfolio

The transport system is a significant part of New Zealand's economic and social infrastructure, providing the links that help establish and sustain the economy and society.

The transport system includes:

- vehicles that move people and products
- physical infrastructure (eg, airports, seaports, the rail network, roads, busways, cycleways)
- transport services (eg, public transport, bike-sharing, ride-sharing)
- digital infrastructure (eg, satellite-based navigation infrastructure and aids, travel apps, communications technologies)
- institutions and regulatory systems that influence how the transport system functions and develops (eg, through their management practices, rules, policies, and investment tools).

Transport is a delivery arm of many broader government strategies, and many key government priorities will not be achieved unless transport plays its part: reaching New Zealand's emissions targets, growing the economy and connecting to markets, and enabling economic and social mobility in New Zealand's cities, towns and regions. Transport cannot achieve these priorities by itself, but its absence can slow or prevent their delivery.

Your role in the system

As the Minister, you have a range of responsibilities, some of which you must do by law. These responsibilities provide you with opportunities to influence the system. Your role as the Minister is to set the overall direction for the transport system, including through:

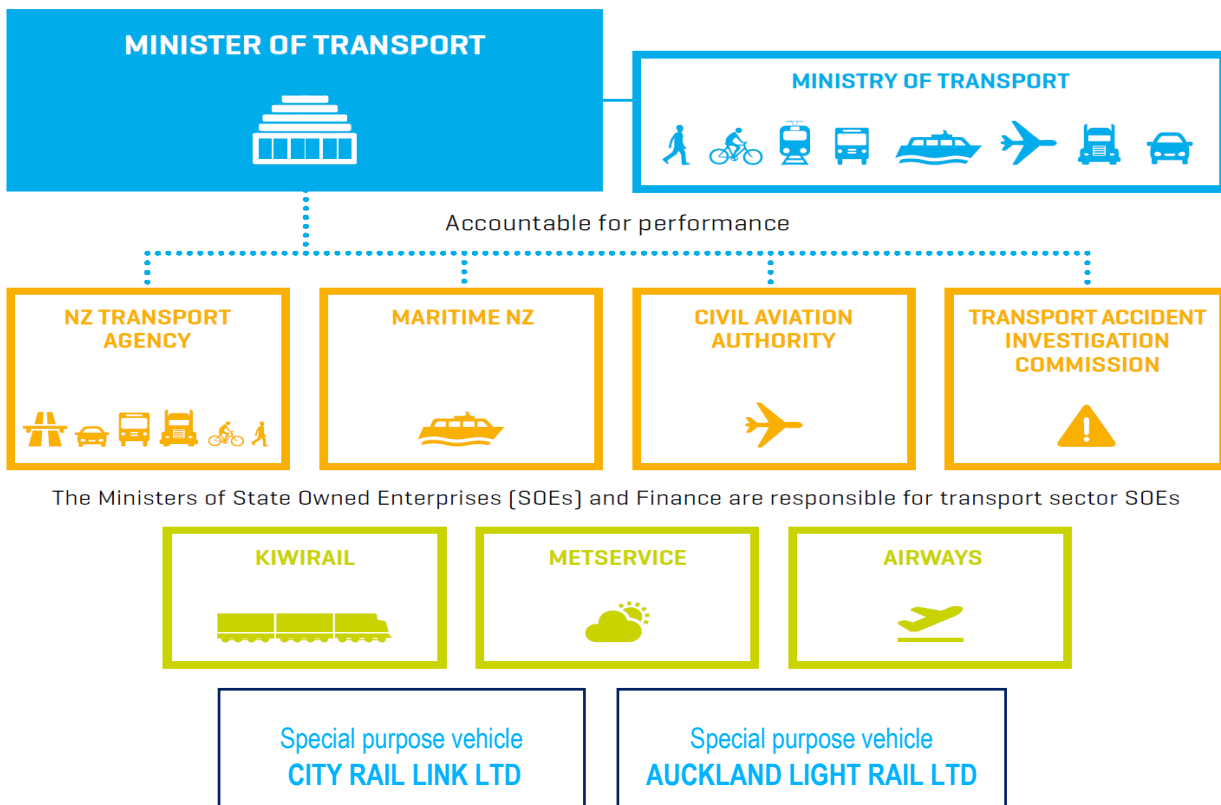
- setting the overall direction for investment in the land transport system through the Government Policy Statement on land transport (GPS)
- setting the regulatory framework by developing legislation and regulation
- appointing board members to the transport Crown entities, setting their expectations and overseeing their delivery and performance
- seeking Cabinet's agreement to the rates at which fees, charges, and levies are set. These are critical decisions because they determine the resourcing available to the transport agencies to deliver their regulatory responsibilities.

The different parts of the transport system

Central government is heavily involved in the transport system as a planner, funder, partner, and regulator. A major part of your role will be working with transport sector agencies to help deliver the Government's objectives:

- the Ministry is a government department
- Waka Kotahi NZ Transport Agency (Waka Kotahi), the Civil Aviation Authority (CAA), Maritime New Zealand (MNZ) are transport agencies
- the Transport Accident Investigation Commission (TAIC) is an independent Crown entity and Standing Commission of Inquiry
- three SOEs: KiwiRail, Airways Corporation of New Zealand Ltd (Airways), and Meteorological Services of New Zealand Ltd (MetService)
- Auckland Light Rail Limited (ALRL) was established in late 2022 under Schedule 2 of the Crown Entities Act 2004. Additionally, City Rail Link Limited (CRL) is the sole company under Schedule 4A of the Public Finance Act 1989, jointly established by the Crown and Auckland Council to deliver Auckland's City Rail Link (CRL).

You have different roles and responsibilities in relation to each of these agencies.



* The Ministers of Transport and Finance are jointly responsible for CRL and ALRL

Figure 1 Relationship between you, the Ministry, SOEs and agencies

Measuring progress and using evidence

The Transport Outcomes Framework

The Transport Outcomes Framework (the Framework) sets out a way of assessing the sector's performance and measuring progress against a range of outcomes (see Figure 2). There are five inter-related outcomes, and the Framework is closely aligned with the Treasury's Living Standards Framework. The Ministry developed the Framework with input from sector stakeholders.

The Framework provides a consistent approach to assessing the effectiveness of policy proposals and delivery. It helps us understand transport's many areas of influence across society and the economy and be more explicit about the trade-offs between the outcomes that are sometimes required. Because the outcomes are inter-related, they need to be met through a range of interventions. Different Governments can place their own emphasis across the outcomes and there is no single 'right' approach.

To support the Framework, there is a set of quantitative indicators to track transport's contribution against the five outcomes over time.

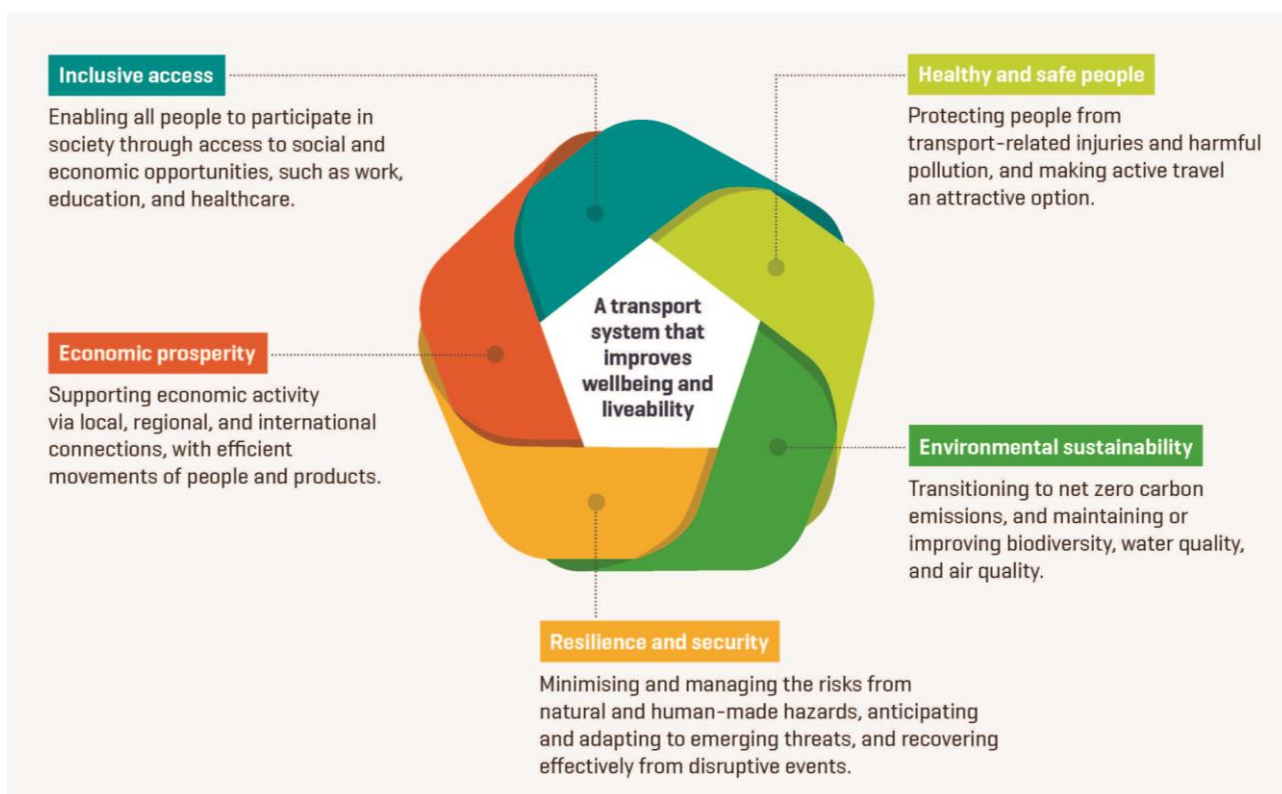


Figure 2 The Transport Outcomes Framework

Supporting policy development with data and modelling

The Ministry, transport agencies and SOEs have access to data and analysis from numerous datasets, including vehicle fleet statistics, freight movement, and emissions data. This means we can offer evidence-based insight into trends, future projections, and possible impacts of policy decisions.

We can help you understand the implications of your decisions on the transport system, from modelling the impacts, to monitoring and evaluating the effectiveness of policies and investment in infrastructure. For example, the Ministry has developed a **National Transport Model** (Monty) to understand how people interact with the transport system. Monty will allow the impacts of potential and current policies to be evaluated in much quicker timeframes, with greater accuracy of their impact on the entire population and will give a richer understanding of the impacts of transport policies across multiple sectors.

The **Ministry's Transport Sector Monitoring Framework** provides a consistent approach to monitoring how well services or interventions are being delivered, whether they have been delivered in a timely and fiscally responsible way and if outcomes have been achieved.

The **Transport Evidence Base Strategy** (TEBS) and the **Decarbonising Transport Research Strategy** (DTRS) set out the paths to ensure the transport sector has the right data, information, research and evaluation to support policy decisions. Implementing the TEBS and the DTRS is the responsibility of transport agencies (eg, through the Land Transport Sector Research Programme managed by Waka Kotahi) and SOEs, working alongside local government and other stakeholders.

Key transport responsibilities

As the Minister, you have a range of levers to influence the transport system. There are differences in the way the various levers are exercised for each mode, and each mode has its own regulatory model. The Ministry's advice will always focus on how you can achieve your objectives.

You are responsible for 20 transport Acts which set out:

- the roles and functions of the Ministry, transport agencies and TAIC, and SOEs
- the planning and funding arrangements for land transport
- the roles and powers of local authorities for transport activities and road controlling authorities
- licensing and certification arrangements for transport system participants and users, vehicles and technology
- the requirements for making transport regulations, rules, and transport instruments
- compliance tools to promote adherence to safety, security and environmental requirements across transport modes.

Investment and revenue

Investing in transport infrastructure is a priority for any Government. Investment comes from a range of funding sources, including the National Land Transport Fund (NLTF) revenue, local authority funds, Crown funds, sector funding, and loans. This investment is used to build, operate and maintain transport networks and services and influence how people travel.

KEY TRANSPORT RESPONSIBILITIES

The GPS allows you to guide investment from the NLTF

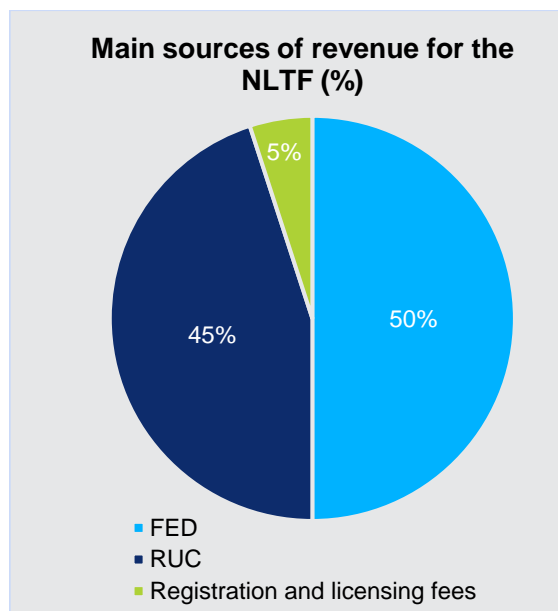
The Land Transport Management Act 2003 (LTMA) requires you to issue a GPS. This statutory document allows you to outline what the Government wants to achieve in land transport, and how it expects to see funding allocated between types of activities (eg, roading, public transport and road safety) across the land transport system. The NLTF can be used both to maintain a level of service and drive change on the land transport network, while delivering value for money. This is done through applying the Ministry's value for money assessment model in the appraisal and evaluation process and establishing funding ranges for activity classes. Each GPS sets out the priorities for the following 10-year period and is reviewed and updated every three years.

The LTMA gives Waka Kotahi statutory independence to select projects for the National Land Transport Programme (NLTP). However, the GPS can set an expectation for Waka Kotahi to consider government programmes and priorities when allocating funding through the NLTP.

The NLTF is mainly funded by motor vehicle users

The NLTF is administered by Waka Kotahi and collects about \$4.2 billion per annum. The main sources of revenue for the NLTF are:

- Fuel Excise Duty (FED) is a tax applied at a rate of 70c/l to petrol and 10.4c/l to liquid petroleum gas.
- Road User Charges (RUC) is a distance-based charge applied to diesel vehicles and heavy vehicles over 3.5 tonnes. Different RUC rates apply to vehicle classes depending on weight and axle configuration and range from \$76 to over \$1,000 per 1,000km travelled.
- Motor vehicle registration and annual licensing fees.



Revenue from the NLTF is invested in state highways, coastal shipping, local roads, road policing, walking and cycling, public transport, and the rail network. Local government contributes funding towards activities in the NLTP that it is responsible for delivering.

You are responsible for approving Waka Kotahi's recommendations for funding road policing activities. National rail network maintenance and renewals are also funded through the NLTF as part of the GPS's Rail Network activity class. KiwiRail is required to prepare a Rail Network Investment Programme (RNIP) every three years, and you are also responsible for approving the Programme.

Section 9 of the LTMA also allows for some land transport revenue to be used for other purposes, subject to your approval and the Minister of Finance. This includes search and rescue and recreational boating activities, Waka Kotahi's regulatory function, and activities to maintain the integrity of the land transport revenue system. Agencies that receive funding through this avenue include the Ministry, Waka Kotahi, MNZ and some non-governmental organisations, such as Coastguard and Land Search and Rescue NZ.

You can adjust the rate of charges and duties for the NLTF to meet your priorities

RUC rates are set through the RUC Rates Regulations 2015, and changes must be confirmed by Parliament. FED is generally set through amendments under the Customs and Excise Act 2018 and sometimes by an Order in Council.

Crown funds can supplement transport revenue and be used to purchase specific projects or programmes

It is no longer possible for investment in the land transport sector to be met solely from the NLTF. Increasingly, the Crown has made direct investments in specific transport activities through the annual budget process led by the Minister of Finance.

Unlike investment from the NLTF, where the Waka Kotahi Board has an independent role in overseeing and monitoring expenditure, Ministers are accountable for Crown-funded activities. Ministers have decision-making rights when changes are needed to the budget, scope or timeframes for these projects. While bodies like Waka Kotahi or KiwiRail may deliver Crown-funded activities and investment programmes, the Crown usually establishes additional oversight arrangements for any projects or programmes with Crown funding, such as the NZ Upgrade Programme. These arrangements give Ministers assurance the intended investment outcomes are being achieved.

CAA and MNZ are primarily funded from fees, charges and levies collected from passengers and participants in the aviation and maritime sectors.

Economic and educational tools

You can use travel demand management tools to influence travel choices within the transport system

Pricing and other economic tools can be used to encourage more efficient use of the network and can be used by local government to influence travel choices and decisions. Such tools include differential charging of public transport (eg, reduced off-peak fares), subsidised public transport fares, tolling, congestion charging, and parking fees.

Tolling, for example, can contribute to the cost of building and maintaining new roads. You are the key decision maker and responsible for recommending to the Governor-General that a new road be tolled under the LTMA. The Ministry will provide advice on tolling proposals, liaise with the Road Controlling Authorities, and advise on the legislative process to establish a tolling order.

Information and education can help people to make more informed travel decisions. Examples of these include travel planning apps, social media marketing, information provision, and mass media campaigns. The greatest benefits are often achieved when economic and educational instruments are used alongside complementary measures, such as infrastructure provision and legislative change.

KEY TRANSPORT RESPONSIBILITIES

Regulation

You have a range of tools in the transport regulatory system to deliver durable transport outcomes

Transport regulation gives confidence to those who use the transport system. It creates an enabling environment for firms and individuals, protects the rights, safety and security of citizens, and ensures the delivery of public goods and services.

The system is comprised of primary and secondary legislation (which includes regulations, rules, and other instruments) and local government by-laws¹. You are responsible for the passage of primary transport legislation through Parliament. The Ministry supports you to do this.

Regulations set out associated offences and penalties, fees, and charges

Transport regulations mainly set out the associated rule-related offences and penalties, and fees and charges that fund the work of the transport agencies. The Ministry leads the development of these with involvement from transport agencies and SOEs, and the NZ Police depending on the subject. Regulations must be approved by Cabinet.

Transport rules contain detailed standards, requirements and procedures that govern transport activities

Transport rules are the most common form of delegated legislation for transport. Rules contain detailed technical standards, requirements, and procedures governing transport activities within modes. You are empowered under primary legislation to make these rules. You are expected to advise Cabinet you intend to make a rule if there would be wide-ranging impacts. There is an expedited rule making process where urgent changes can be made by Order in Council.

The transport Crown entities develop most transport rules with the Ministry's support, but the Ministry leads policy development on significant rules.

Transport instruments support a more flexible regulatory system

Transport instruments improve the flexibility of the rule-making process by having more customised consultation requirements, meaning changes that only affect a small number of transport users can be progressed quickly. Transport instruments are more easily amended in response to technological innovation.

Transport instruments are outlined in a rule made by you as the Minister, with the design and management delegated to a specified official (such as the Director of the relevant transport agency). Several transport instruments exist in maritime legislation, with more planned in other modes as part of work on secondary legislation. The Civil Aviation Act 2023 (which comes into force in 2025) also empowers the Minister to create transport instruments.

¹ As Transport Minister you have powers to amend, replace or disallow some local government by-laws.

Your statutory functions

You have statutory functions under both maritime and civil aviation legislation. For instance, under Civil Aviation legislation, you are:

- the licensing authority to grant scheduled international air services licences to New Zealand international airlines
- responsible for designating countries or territories for open aviation market licences
- responsible for authorising airline alliances.

Under the Maritime Transport Act 1994, you are responsible for authorising the carriage of coastal cargo by foreign ships, if you are satisfied that there are no New Zealand ships or ships chartered to a New Zealand-based operator capable of carrying the domestic cargo.

In addition to the statutory functions exercised by you as the Minister, statutory functions are exercised directly by the Secretary for Transport. The Secretary for Transport is:

- the licensing authority for foreign international airlines operating to/from New Zealand
- the licensing authority for open aviation market licences (after the designation by the Minister)
- responsible for authorising commercial non-scheduled international flights.

Waka Kotahi, CAA and MNZ also have statutory positions (Director of Land Transport, Director of Civil Aviation and Director of Maritime NZ) that have legislative functions, powers and duties in relation to regulatory activities in their sectors. In some cases, those functions, powers and duties must be exercised independently, such as enforcement. These are known as statutorily independent functions.

Crown monitoring, assurance, and oversight

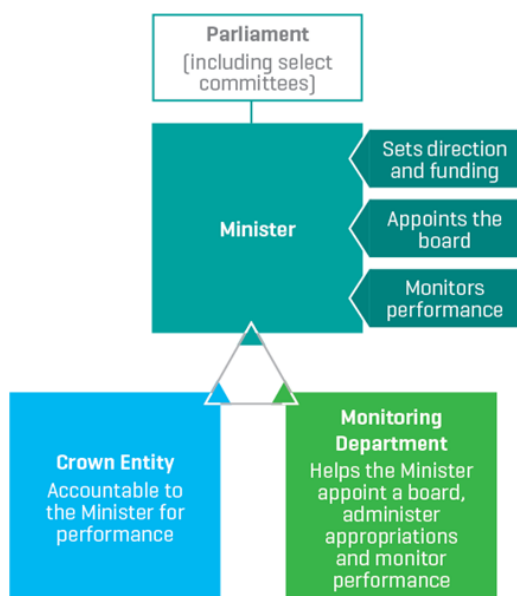
You have a role in appointing board members to the transport agencies and transport Crown entities, setting expectations for them and monitoring their performance.

Crown entity monitoring and oversight is a key mechanism to deliver your priorities

The majority of service delivery and regulation in the transport sector is carried out through the transport Crown entities and companies: Waka Kotahi, MNZ, CAA, Auckland Light Rail (ALR) Limited and CRL². TAIC delivers independent, no-blame safety investigations of accidents and incidents. Crown entities and companies operate with varying levels of statutory independence from their responsible minister because of the nature of their roles and functions.

² Note that MetService, KiwiRail and Airways fall within the State-Owned Enterprises portfolio instead of your Transport portfolio. Monitoring over all three is undertaken by the Treasury.

KEY TRANSPORT RESPONSIBILITIES



Your role as the responsible minister of these entities is to oversee and manage the Crown's interests in, and relationship with those entities. While you are ultimately accountable, the boards you appoint to these are primarily responsible for their performance.

The Ministry is your monitoring agent for the transport Crown entities. The roles and responsibilities of the Minister, Crown entity and monitoring department are summarised in Figure 3 and outlined further within the *It Takes Three Framework*³.

Figure 3 Roles and responsibilities of the Minister, Crown entity and monitoring department

You have a role in overseeing the delivery and performance of key transport agencies

Your oversight role, supported by the Ministry, helps to ensure the transport Crown entities are effectively performing their functions, many of which deliver critical services to New Zealanders. Below are a range of accountability mechanisms that the Ministry will advise you on to assist you in overseeing the transport Crown entities and meeting your statutory responsibilities.

The capability and performance of the transport entity boards is critical in delivering your priorities and expectations

Each Crown entity and company is governed by a board. There are a maximum of 73 ministerial appointed positions across the transport sector. This is comprised of up to 42 positions on Crown entities and companies, two medical convener positions, and 29 advisory committee positions. TAIC Commissioners are appointed by the Governor-General on your recommendation and also act as the members of that entity's board.

Crown entity boards have the primary responsibility for their entity's performance. They exercise the power, perform the functions of each entity and hold responsibility for the operational decisions of their entities. You appoint (or recommend the appointment of) and oversee those boards as the responsible minister and are assisted by the Ministry as your monitoring agent.

Before appointments fall due, we will provide you with advice to support the appointment and re-appointment of board members. As part of this process, we will provide you with an overall assessment of board capability and recommendations on the skills and capabilities needed to ensure your boards are well governed, effective, and high performing.

³ <https://www.publicservice.govt.nz/guidance/it-takes-three-operating-expectations-framework-for-statutory-crown-entities/>

Table 1 Accountability mechanisms

Accountability Mechanism	Description
Letter of Expectations	Your primary mechanism to set priorities and performance expectations on an annual basis. You can expect to receive draft letters from the Ministry around October/November each year. These letters are sent out well in advance of the financial year so Crown entities can respond effectively.
Statement of Intent	Sets out the entity's strategic intentions against the Government's priorities and direction. The Statement of Intent is developed by an entity for at least a four-year period.
Statement of Performance Expectations	Sets out the entity's annual delivery and performance expectations against your Letter of Expectations and the Statement of Intent. Entities are required to provide their final drafts of their Statements of Performance Expectations for your comment before 1 May each year.
Annual Report	Sets out the entity's annual non-financial and financial performance against the expectations set out in the Statement of Performance Expectations. You can expect to receive annual reports from each entity around October.
Quarterly reporting	Performance reporting provided by the entity against the priorities and expectations set out in the Statement of Performance Expectations.

You will have regular meetings with Crown entity chairs to discuss entity governance, performance and key risks. The Ministry will provide you with advice to assist in your engagement.

The Ministry conducts other assurance, funding, contracting and review activities

In addition to overseeing and monitoring the Crown entities and companies on your behalf, the Ministry also conducts other activities for government transport initiatives and programmes, Crown entities and Crown companies. This includes, for example, providing advice on and monitoring programmes such as the NZ Upgrade Programme, the Climate Emergency Response Fund (CERF), and managing the MetService contract to ensure New Zealand has a service that fulfils the World Meteorological Organization Technical Regulations.

The Ministry uses the **Transport Sector Monitoring Framework**, which provides a structured approach to monitor interventions. This is used to assess entity governance, capability and performance, how entities communicate information to the board, their assurance mechanisms for key projects and programmes, and whether the board is receiving the necessary information from an entity. The approach is informed by your priorities and the Ministry's assessment of key risks for each entity.

Influencing the international environment

New Zealand's transport regulatory systems are significantly shaped by international obligations, standards and recommended practices. New Zealand benefits strongly from international transport regulatory frameworks, which underpin our international connections and facilitate our trade in goods and services.

DELIVERING YOUR PRIORITIES

The Ministry and the Crown entities work together to:

- monitor and understand what is happening internationally, and how it affects, or may affect, New Zealand's transport system
- influence relevant international standards to protect and promote New Zealand's interests
- ensure New Zealand meets its international transport commitments.

A wide range of international organisations influence New Zealand's transport settings. Some of the key organisations the Ministry and transport agencies work with, and their role, are:

- **International Civil Aviation Organization - ICAO:** sets standards and regulations for the aviation sector covering international safety, security, and environmental protections (under the Chicago Convention).
- **International Maritime Organization - IMO:** sets standards and regulations for the maritime sector (international safety, security, and environmental protections).
- **International Labour Organization - ILO:** sets standards for work and employment, including on ships (under the Maritime Labour Convention).
- **United Nations working parties:** New Zealand has obligations as a party to two United Nations Agreements relating to road vehicle standards. Under these agreements, regulations and standards are set to improve road safety and facilitate international trade.
- **World Meteorological Organization - WMO:** New Zealand's obligations under the World Meteorological Organization, the United Nations specialised agency for weather, climate, and water, are fulfilled through the Ministry's contract with MetService.

Your engagement at the international level is important

The Ministry will provide advice on where we consider there will be good value in your engagement in Ministerial-level forums.

Key opportunities over the next year may include:

- the Australian Transport and Infrastructure Council
- Pacific Transport Ministerial-level meetings
- International Transport Forum (ITF) Annual Ministerial Summit
- Asia-Pacific Economic Cooperation (APEC) Ministerial meeting.

Delivering your priorities

The Ministry can help you to achieve your priorities and connect them with government-wide priorities, including advising you on using the available tools within the transport portfolio to achieve your short, medium and longer-term goals. This includes working with the transport agencies to develop a coherent strategic view of the longer-term needs for the transport system.

Strategies that use a package of interventions to address specific issues may be developed or amended. For example, the **New Zealand Freight and Supply Chain Strategy** was developed to prepare and, respond to substantial change affecting the sector. It articulates a long-term vision for the freight and supply chain to be:

- underpinned by zero emissions freight transport
- resilient, reliable, and prepared for potential disruptions
- highly productive and efficient.

The strategy outlines what needs to be done to reach this long-term vision over three time-horizons.

Transport sector agencies also support a range of cross-government strategies. For example, the Ministry and CAA also have important roles in supporting the implementation of the **Aotearoa New Zealand Aerospace Strategy**, led by the Ministry of Business, Innovation and Employment.

Additionally, there are short-term transport sector delivery plans, many of which are governed by Acts of Parliament and are key components of the transport planning and funding system. For example, the **Decarbonising Transport Action Plan (2022-25)** sets out what the Government will do to implement the transport actions in the first Emissions Reduction Plan, and what New Zealand needs to do to reduce transport emissions by 41% by 2035 and reach net zero by 2050.

Transport's role within the wider system

Outside of existing collaboration between government agencies and SOEs, collaboration with other stakeholders in the transport system is critical to realising positive transport outcomes.

Effective and meaningful engagement with stakeholders from local government, the private sector, researchers and iwi will be critical to achieving government priorities and shaping the transport system. We can provide you with further advice on engagement that you should prioritise, and when.

There are other important levers that transport does not 'own', but there are actions that can be taken to influence these. For example, land use is an important lever that requires cross-system collaboration and agreement.

Given its role as a key enabler of social and economic connections, the transport system intersects with a wide range of other systems at the local, national and global levels. This underlines the need to coordinate with other sectors and recognise the impacts of transport decisions on them.

Figure 4 illustrates some of the key relationships with the transport system, and Appendix 2 includes further detail on some key areas where a coordinated response and decisions are required, including maritime security, border security and climate response.

TRANSPORT'S ROLE WITHIN THE WIDER SYSTEM



Figure 4 Transport's role within the wider system

Notes

- 1 Key groupings
- 2 *Secretary for Transport attends the Officials Committee for Domestic and External Security Coordination (ODESC) as required

Appendix 1 Emergency Management and search and rescue functions

Emergency Management and search and rescue functions

Emergency Management

The transport system is vulnerable to major natural events and human-caused shocks that disrupt services. The Ministry exercises its system stewardship role by being the transport sector lead on resilience and security policy matters with other government agencies such as the Department of Prime Minister and Cabinet (DPMC), the National Emergency Management Agency (NEMA), and the National Security System. The Ministry works closely with the other transport Crown entities to plan for future needs and emergencies so the transport sector can respond efficiently and effectively to system disruptions or damaged infrastructure.

System planning and preparedness is reviewed during DPMC-led Officials Committee for Domestic and External Security Coordination (ODESC) forums and exercised as part of the NEMA-led all-of-government National Exercise Programme. During significant responses, the Ministry will activate and lead the Transport Response Team (TRT), which acts as the sector coordinating entity for transport under the Civil Defence and Emergency Management Act. As a non-operational agency, the Ministry's role is to coordinate the transport sector and ensure a single transport voice is provided to the lead agency for the response and to Ministers.

New Zealand Search and Rescue Council

New Zealand's 30 million km² Search and Rescue (SAR) region (the world's third largest) extends from the South Pole to the southern border of the Honolulu region, halfway to Australia and Chile, and includes American Samoa, Cook Islands, Niue, Norfolk Island, Samoa, Tokelau, and Tonga. Collectively, the SAR sector comprises approximately 11,095 people from a wide variety of public, non-government and commercial organisations of whom around 89% are volunteers. During the 2022/23 year, the sector saved 137 lives, rescued 744 people, and assisted a further 1,130 people. These actions averted \$1.822 billion in social costs to New Zealand.

The New Zealand Search and Rescue (NZSAR) Council, established by Cabinet in 2003, provides strategic governance, leadership to the SAR sector, manages the Government's investment into the sector and provides SAR advice to Ministers. The Council consists of the chief executives of departments with SAR responsibilities and includes the Ministry as chair, MNZ, CAA, the Department of Conservation, the NZ Police, the New Zealand Defence Force, Fire and Emergency NZ, and a non-government independent member.

The Ministry receives funding for and hosts the NZSAR Secretariat. Either the NZ Police or the Rescue Coordination Centre NZ (an operating group within MNZ) coordinates SAR operations. The responsible coordinating authority will request the use of SAR assets depending on the requirements of the operation. A wide variety of organisations may participate in SAR operations, including the Department of Conservation, NZ Land Search and Rescue, Coastguard NZ, Surf Life Saving NZ, rescue helicopters, the NZ Police, commercial vessels, Defence and a variety of smaller organisations or assets including members of the public.

The SAR sector's revenue comes from a variety of sources, including Crown funding through Vote Transport, Vote Police, Vote Conservation, and Vote Defence, and hypothecated funding collected under the LTMA (which recognises FED paid by recreational boat users). Commercial sponsorship, local fundraising, community grants, class 4 gaming (including gaming machines from pubs and clubs) and the Lotteries Grants Board also provide funding to the wider SAR and recreational safety sectors.

The Ministers of Transport and Finance are empowered by the LTMA to allocate FED funding for SAR purposes. The NZSAR Council (on behalf of the Ministry) administers approximately \$21.8 million per annum of FED investment into SAR sector agencies. The NZSAR Council (on behalf of the Ministry) also administers the Government's investment of \$15.1 million per annum into frontline water safety rescue and prevention services (Coastguard NZ and Surf Life Saving NZ).

Appendix 2 Cross system collaboration

Maritime Security

You are the lead Minister for Maritime Security and the Ministry is the lead agency for maritime security policy. The Ministry chairs the Maritime Security Oversight Committee (MSOC), which is responsible for oversight of New Zealand's maritime security and comprises 11 maritime security agencies. MSOC developed a Maritime Security Strategy (endorsed by Cabinet in 2019) in response to multiple increasing security pressures.

There are 12 core national security issues within the National Security Strategy, with each issue assigned a Strategic Coordination Agency. The Ministry performs the role for maritime security, and the Ministry sits on the National Security Board, where it is also able to represent other national security issues, such as transport security and the supply chain.

Border Executive Board

The Border Executive Board (BEB) is an interdepartmental executive board with six member agencies – New Zealand Customs Service (chair), Ministry for Primary Industries, Ministry of Business, Innovation and Employment, Ministry of Foreign Affairs and Trade, Manatū Hauora Ministry of Health, and the Ministry. The BEB provides joint accountability for New Zealand's border system and acts as a single point of contact for issues and opportunities that can only be progressed by working across more than one agency.

Cabinet has set five accountabilities for the BEB and approved the first BEB Border Sector Strategy in May 2023. The BEB has four priorities for 2023/24: implement the digital arrival card; progress trans-Tasman seamless travel; respond to the resumption of demand for air travel; and coordinate maritime activity. The work programme is reviewed on a six-monthly basis and includes a mix of stewardship, coordination, and improvement activities.

Climate Change Chief Executives Board

New Zealand has international commitments under the Paris Agreement, and a domestic legislative framework (under the Climate Change Response Act 2002), that commits the Government to reduce emissions and to improving resilience and the ability to adapt to the effects of climate change. The Climate Change Chief Executives Board was established in July 2022 as an Interdepartmental Executive Board (IEB) under the Public Service Act 2020 to align and coordinate cross-department climate change action.

The Board comprises eight chief executives, is chaired by the Secretary for the Environment, and is responsible to the Prime Minister for its operations. The Ministry's Chief Executive serves on the Board to drive collaboration with other key departments alongside delivering on your transport portfolio commitments.

While the Board is responsible for overseeing the delivery of the first emissions reduction plan and national adaptation plan, the Ministry remains accountable for the delivery of actions within your portfolio.

For more information on the Board and its work, please refer to the Climate Change Chief Executives Board Briefing to the Incoming Ministers.

APPENDIX 3 SUMMARY OF TRANSPORT AGENCIES, CROWN ENTITIES, SOES, AND THEIR FUNCTIONS

Appendix 3 Summary of transport agencies, Crown entities, SOEs, and their functions

Agency/SOE	Key Functions
The Ministry	The Ministry advises you, and government more widely, on all policy and regulatory matters within the transport system, and funding and governance of the transport Crown entities.
Waka Kotahi	<p>Waka Kotahi is a Crown agent primarily governed by the Land Transport Management Act 2003 (LTMA) and Crown Entities Act 2004. Waka Kotahi's functions include investing in, and managing most aspects of the land transport network, including rail.</p> <p>Waka Kotahi has statutorily independent functions, including determining which activities should be included in the NLTP. Waka Kotahi also approves activities as qualifying for payment from the NLTF, approving procurement procedures for land transport activities, issuing or suspending any land transport document or authorisation, and has enforcement powers.</p> <p>Waka Kotahi has regulatory compliance and enforcement responsibilities relating to aspects of rail safety, driver licensing, vehicle testing, and certification and revenue collection.</p>
Civil Aviation Authority (CAA)	CAA is a Crown agent primarily governed under the Civil Aviation Act 1990 and Crown Entities Act. Led by the Director of Civil Aviation, the Authority has seven business groups performing safety and security regulatory and service delivery functions across the breadth of the aviation system.
Maritime New Zealand (MNZ)	MNZ is a Crown agent established under the Maritime Transport Act. It is responsible for promoting a safe, secure, clean and sustainable maritime environment for all commercial and recreational activities on the water and minimising the impact of maritime incidents and accidents on New Zealand and its people. MNZ has both a domestic and international focus.
Transport Accident Investigation Commission (TAIC)	<p>TAIC is an independent Crown entity and acts as a standing commission of inquiry. The Commission's core purpose is to determine the circumstances and causes of certain aviation, rail and maritime occurrences with a view to avoiding similar occurrences in the future, rather than to ascribe blame.</p> <p>TAIC was established to assist New Zealand to comply with its international aviation obligations of ensuring independently conducted, safety-focused accident and incident investigations, a role that has since expanded to include investigations of maritime and rail occurrences. The Commission has a range of investigative (not enforcement) powers.</p>
City Rail Link Limited (CRL)	<p>CRL is listed as a company under Schedule 4A of the Public Finance Act. It was established in 2017 by the Crown and Auckland Council to deliver Auckland's City Rail Link (CRL) project.</p> <p>The Crown and Auckland Council jointly own CRL (with a 51/49% shareholding respectively). You are jointly responsible, with the Minister of Finance, for the Crown's interest in CRL (as shareholding Ministers). Board appointments require joint agreement from the Crown and Auckland Council.</p> <p>The CRL project is delivered in accordance with the terms set in the Project Delivery Agreement. The Project Delivery Agreement is a contractual agreement between the Crown, Council and CRL that sets out the terms for the company to manage the delivery of the CRL project on behalf of the Crown and Council, as joint sponsors of the project.</p>

APPENDIX 3 SUMMARY OF TRANSPORT AGENCIES, CROWN ENTITIES, SOES, AND THEIR FUNCTIONS

Agency/SOE	Key Functions
Auckland Light Rail Limited (ALRL)	<p>ALRL was established in late 2022 under Schedule 2 of the Crown Entities Act 2004 to deliver a Detailed Business Case by mid-2024 for the Crown to make a final investment decision on a light rail route from the Auckland city centre to Auckland Airport.</p> <p>You are jointly responsible for ALRL along with the Minister of Finance and the Minister of Housing with each Minister having a 1/3 share in the company. In addition, Auckland Council and Manu Whenua representatives are joint sponsors along with the Crown.</p> <p>Development of detailed planning is delivered in accordance with the Project Planning and Funding Agreement. This is a contractual agreement between the Crown, Council and ALRL that sets out the terms for ALRL to manage the delivery of the Auckland Light Rail project.</p>
KiwiRail	<p>KiwiRail is the SOE responsible for freight and tourism passenger rail services on 3,700 kilometres of rail network and operating three inter-island ferries. KiwiRail owns, maintains and upgrades the national rail network and associated infrastructure, including the rail networks used by Auckland and Wellington passenger rail services. KiwiRail is also responsible for operating Te Huia rail service, which connects Hamilton to Auckland.</p> <p>Auckland Transport and Greater Wellington Regional Council are responsible for planning, funding and procuring operators for the passenger rail services in their regions. They also own the passenger rolling stock and related infrastructure required to support operations, such as station buildings and maintenance depots. KiwiRail's core purpose is to move people and freight, and to cooperate with other players in the sector to create integrated transport solutions for customers. KiwiRail is focused on efficient freight movements (via rail and ferry) and helping customers to be more competitive.</p>
Meteorological Service of New Zealand Ltd (MetService)	<p>The core purpose of MetService is to provide weather services that support safety of life and property and, as a SOE, add value to the New Zealand economy. The weather impacts significantly on New Zealand's economy, transport safety, primary industries, energy production/consumption and general public safety.</p> <p>MetService provides a wide range of weather information services and data to government (including other transport sector agencies), business, and directly to the public, to promote public safety and inform weather-related risk management and decision making.</p> <p>MetService works closely with other transport sector agencies. It provides specialised road environmental information services to Waka Kotahi and its Network Operations Contractors (contracted to maintain the operations of road networks), and for the management of weather impacts on the state highway network and other major roads.</p>
Airways Corporation of New Zealand Ltd (Airways)	<p>Airways is a commercial Air Navigation Service Provider (ANSP) that is committed to ensuring safe skies for today and tomorrow. Airways works with partners to provide global aviation customers with safe, integrated airspace management through a proactive safety culture, expert knowledge, and technology-enabled solutions.</p> <p>Airways provides air traffic control services and infrastructure to enable safe, reliable and efficient air transport within the New Zealand Flight Information Region. Airways is also responsible for maintaining and investing in the aviation infrastructure that supports New Zealand's air traffic management system. Airways invests in new technology that enhances safety and delivers economic and environmental benefits for customers and the public.</p> <p>As an ANSP, Airways is regulated by CAA and provides its service in line with Civil Aviation Rules and international standards.</p>

Appendix 4 Glossary of terms and abbreviations

Airways	Airways Corporation of New Zealand Ltd
ALR	Auckland Light Rail
ALRL	Auckland Light Rail Ltd
ANSP	Air Navigation Services Provider
APEC	Asia–Pacific Economic Cooperation
BEB	Border Executive Board
CAA	Civil Aviation Authority
CERF	Climate Emergency Response Fund
CRL	City Rail Link
CRLI	City Rail Link Limited
DPMC	Department of the Prime Minister and Cabinet
DTRS	Decarbonising Transport Research Strategy
FED	Fuel Excise Duty
GPS	Government Policy Statement on Land Transport
ICAO	International Civil Aviation Organization
IEB	Interagency Executives Board
ILO	International Labour Organization
IMO	International Maritime Organization
ITF	International Transport Forum
LTMA	Land Transport Management Act 2003

APPENDIX 4 GLOSSARY OF TERMS AND ABBREVIATIONS

MetService	Metrological Service of New Zealand Ltd
MNZ	Maritime New Zealand
Monty	National Transport Model
MSOC	Maritime Security Oversight Committee
NEMA	National Emergency Management Agency
NLTF	National Land Transport Fund
NLTP	National Land Transport Programme
NZSAR	New Zealand Search and Rescue
ODESC	Officials Committee for Domestic and External Security Coordination
RNIP	Rail Network Investment Programme
RUC	Road User Charges
SAR	Search and Rescue
SOE	State Owned Enterprise
TAIC	Transport Accident Investigation Commission
TEBS	Transport Evidence Base Strategy
the Framework	Transport Outcomes Framework
the Minister	Minister of Transport
the Ministry	Ministry of Transport Te Manatū Waka
TRT	Transport Response Team
Waka Kotahi	Waka Kotahi NZ Transport Agency
WMO	World Meteorological Organization

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