


OC220559

26 July 2022



Tēnā koe 

I refer to your email dated 5 July 2022 requesting the following documents under the Official Information Act 1982 (the Act):

- *The May 3, 2022 document “Early actions to progress the trial of the equity-orientated vehicle scrappage scheme”, reference number OC220282*
- *The May 5, 2022 document “Additional information requested in relation to the assistance for the trial vehicle scrappage scheme”, reference number OC220340*
- *The May 5, 2022 document “International Maritime Organisation- New Zealand position on an equitable transition proposal”, reference number OC220351*
- *The May 12, 2022 document “Alternative phasing dates for Euro 6/VI”, reference number OC220379*
- *The May 20, 2022 document “Correspondence from Hyundai on hydrogen and road user charges”, reference number OC220355*
- *The May 25, 2022 document “Official launch of the Sustainable Car Leasing Programme”, reference number OC220425*
- *The May 25, 2022 document “The Ministry of Transport’s future modelling capability - Project Monty”, reference number OC220281*
- *The May 25, 2022 document “Joint briefing: Taking action on fuel prices draft Cabinet paper extending the reductions to Petrol Excise Duty, Road User Charges and monitoring arrangements for two months”, reference number OC220317*
- *The May 26, 2022 document “Taking action on fuel prices - proposed release of briefings and talking points”, reference number OC220307*

Of the nine documents you requested, I am releasing three with some information withheld, refusing two, withholding three and not providing one as this mistakenly appeared on the published list of briefings.

The following sections of the Act have been used:

- 6(a) as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government

- | | |
|-------------|---|
| 6(b) | as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by |
| | (i) the Government of any other country or any agency of such a Government; or |
| | (ii) any international organisation |
| 9(2)(a) | to protect the privacy of natural persons |
| 9(2)(ba)(i) | to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public |
| 9(2)(f)(iv) | to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials |
| 9(2)(g)(i) | to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty |
| 9(2)(j) | to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) |
| 18(d) | the information requested is or will soon be publicly available |

The above information is detailed in the document schedule attached as Annex 1.

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry's website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Hilary Penman
Manager, Ministerial Services

Annex 1 - Document Schedule

Doc #	Reference number	Title of Document	Decision on request
1	OC220282	Early actions to progress the trial of the equity-orientated vehicle scrappage scheme	Withheld under Section 9(2)(f)(iv)
2	OC220340	Additional information requested in relation to the assistance for the trial vehicle scrappage scheme	Withheld under Section 9(2)(f)(iv)
3	OC220351	International Maritime Organisation- New Zealand position on an equitable transition proposal	Some information is withheld under Sections 6(a), 6(b), 9(2)(a), 9(2)(g)(i) and 9(2)(j)
4	OC220379	Alternative phasing dates for Euro 6/VI	Withheld under Section 9(2)(f)(iv)
5	OC220355	Correspondence from Hyundai on hydrogen and road user charges	Not provided. This briefing title mistakenly appeared on the May 2022 published list of briefings sent to the Minister of Transport. The briefing was not sent to the Minister in May, nor has it been sent since.
6	OC220425	Official launch of the Sustainable Car Leasing Programme	Some information is withheld under Sections 9(2)(a), 9(2)(ba)(i) and 9(2)(g)(i)
7	OC220281	The Ministry of Transport's future modelling capability - Project Monty	Some information is withheld under Section 9(2)(2)(a)
8	OC220317	Joint briefing: Taking action on fuel prices- draft cabinet paper extending the reductions to petrol excise duty, road user charges and monitoring arrangements for two months	Refused under Section 18(d). This briefing will soon be published on the Ministry of Transport's website: www.transport.govt.nz/
9	OC220307	Taking action on fuel prices - proposed release of briefings and talking points	Refused under Section 18(d). This briefing will soon be published on the Ministry of Transport's website: www.transport.govt.nz/

5 May 2022

OC220351

Hon Michael Wood
Minister of Transport

Action required by:
 Friday, 13 May 2022

INTERNATIONAL MARITIME ORGANIZATION - NEW ZEALAND POSITION ON AN EQUITABLE TRANSITION PROPOSAL

Purpose

Seek your direction to the New Zealand delegation to the International Maritime Organization (IMO) Intersessional Working Group on Greenhouse Gas Emissions (ISWG-GHG), specifically, agreement for New Zealand to support a proposal made by some Pacific Island countries about how the IMO should seek to give effect to an equitable transition of the shipping sector to zero emissions.

Key points

- The IMO's ISWG-GHG will meet 16-20 May 2022 s 6(b)
 [REDACTED]
 [REDACTED] the proposal seeks the IMO's agreement to:
 - ensure equity between states in the transition to zero emissions shipping.
 - accept distribution of revenues raised by IMO market-based measures (MBMs) as a means of ensuring equity, with a priority for countries most vulnerable to the impacts of climate change.
 - convene a dedicated meeting to consider concrete proposals on characteristics of MBMs including revenue collection and use.
- While the draft 2022 International Climate Change Engagement Plan¹ states New Zealand will promote equitable solutions and a Just Transition in all multilateral climate forums this is not a specific element of our negotiation mandate for the IMO, as agreed by Cabinet in August 2021 [CAB-21-MIN-0199 refers]. Rather, Cabinet agreed that in IMO negotiations, New Zealand will seek outcomes that recognise and protect the interests of Pacific Island countries and territories.
- Ensuring an equitable transition for States presents a number of challenges to the IMO:
 - The IMO's primary role is to regulate international shipping;

¹ This is led by the Ministry of Foreign Affairs and Trade and supported by Te Manatū Waka.

- s 9(2)(g)(i) [REDACTED]
- Addressing inequity through the collection and redistribution of carbon revenues is a new activity for the IMO and likely to involve transactions of unprecedented value;
- s 9(2)(g)(i) [REDACTED]
- s 6(a), s 9(2)(j) [REDACTED]
- s 9(2)(g)(i), s 9(2)(j) [REDACTED]

Recommendations

We recommend you:

- 1 **note** the International Maritime Organization is likely to consider its role in the equitable transition of the international shipping sector to net zero emissions by 2050;
- 2 s 6(b) [REDACTED]
- 3 **agree** the New Zealand delegation can support these calls in principle, subject to satisfactory resolution of implementation details; Yes / No
- 4 **refer** this briefing to Hon James Shaw Minister for Climate Change and Hon Nanaia Mahuta Minister of Foreign Affairs and Trade. Yes / No


 Ewan Delany
 Manager, Environment, Emissions and
 Adaptation

4 / 5 / 22
 / /

Hon Michael Wood
 Minister of Transport

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Minister's office to complete:

☐ Approved

☐ Declined

☐ Seen by Minister

☐ Not seen by Minister

☐ Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Ewan Delany, Manager, Environment, Emissions and Adaptation	s 9(2)(a)	✓
Michelle Palmer, Adviser, Environment, Emissions and Adaptation	s 9(2)(a)	

INTERNATIONAL MARITIME ORGANIZATION - NEW ZEALAND POSITION ON AN EQUITABLE TRANSITION PROPOSAL

In 2018, the International Maritime Organization (IMO) adopted the Initial IMO Strategy on Reduction of Greenhouse Gas (GHG) Emissions from Ships

- 1 The Initial Strategy establishes a vision for international shipping, sets “levels of ambition” relating to energy efficiency, carbon intensity and peak and decline of GHG emissions, identifies guiding principles, and provides adoption of implementation measures. The strategy is set to be reviewed in 2023.
- 2 The current key commitments include:
 - 2.1 reduce CO₂ emissions by at least 40 percent by 2030;
 - 2.2 peak GHG emissions as soon as possible and reducing by 50 percent by 2050; and
 - 2.3 a pathway of CO₂ emission reduction consistent with 1.5°C Paris temperature goal.
- 3 The latest IMO study shows the global GHG contribution from shipping has increased from 2.76 percent in 2012 to 2.89 percent in 2018. This is projected to continue to increase.
- 4 As agreed by Cabinet in 2021 [CAB-21-MIN 0 99 refers], New Zealand’s priorities in the IMO negotiations to operationalise the strategy include:
 - 4.1 an ambitious revised IMO Strategy, applicable to all ships, accompanied by a concrete schedule of pragmatic steps to ensure appropriate action is not deferred;
 - 4.2 recognition and protection of the interests of Pacific Island countries and territories; and
 - 4.3 operationalisation of Common but Differentiated Responsibilities and Respective Capabilities (CBDR/RC) by the IMO.

The next round of IMO negotiations will take place virtually on 16 - 20 May 2022

- 5 These negotiations will be a meeting of the IMO’s ISWG-GHG and is scheduled to focus on medium- and long-term emission reduction measures. There is increasing acceptance amongst participating governments that such measures will be “market based”, i.e. include carbon pricing of international shipping emissions in some form.
- 6 The May ISWG-GHG meetings are not a decision-making process. They serve to make recommendations to the June negotiations of the IMO Marine Environment Protection Committee. We anticipate recommendations will determine the parameters for further consideration of specific market-based measures (MBMs).

- 7 A number of MBM proposals have been raised in the IMO over recent years. These have given rise to questions about how disproportionate negative economic impacts on some states should be addressed, and how revenues collected through such measures should be spent. These MBM proposals remain on the table, and more are expected. Some countries' interest has turned to resolving some of the high-level questions at a principled level before addressing specific options for measures.
- 8 Te Manatū Waka, Maritime New Zealand and the Ministry of Foreign Affairs and Trade (MFAT) are jointly commissioning analysis of the risks and opportunities to New Zealand from different approaches to MBMs.

s 6(b)

- 9 The proposal seeks the IMO's agreement to:
 - 9.1 ensure equity between states in the transition to zero emissions shipping;
 - 9.2 accept distribution of revenues raised by IMO MBMs as a means of ensuring equity, with a priority for countries most vulnerable to the impacts of climate change; and
 - 9.3 convene a dedicated meeting to consider concrete proposals on characteristics of MBMs including revenue collection and use.
- 10 The proposal frames distribution of revenues raised by IMO measures as a means of ensuring equity in the transition to zero emissions shipping. Amongst other things, it invites member states to remain cognisant of the need to protect the climate system for the benefit of future generations, and to ensure all countries have access to transition technologies and fuels. It proposes convening a dedicated meeting to consider concrete proposals on characteristics of MBMs including revenue collection and use.

The proposal is based on arguments New Zealand has made in international forums

- 11 These arguments include:
 - 11.1 The most recent Intergovernmental Panel on Climate Change science underscores the need for urgent action.
 - 11.2 A sustainable and equitable global transition requires more than just achieving the temperature goal of limiting global average temperature rise to 1.5°C (i.e. developed countries must show leadership, the most vulnerable countries must be supported).
 - 11.3 An appropriate mechanism is needed for the IMO to address any disproportionate negative impacts on states arising from its emissions reduction measures without diluting the ambition of such measures.
 - 11.4 Financing shipping related activities alone will not maximise the IMO's contribution to climate action and sustainable development.

s 9(2)(j)

s 9(2)(g)(i), s 9(2)(j)

Proposed New Zealand response to the equitable transition proposal

New Zealand's well-known commitment to stand with the Pacific in relation to international climate change matters leads to expectations we will support the equitable transition initiative

s 6(a), s 6(b)

- 17 While the delegation's current IMO negotiation mandate is silent on issues of equity, the MFAT-led draft 2022 International Climate Change Engagement Plan states New Zealand will promote equitable solutions and just transition in all multilateral climate fora.

Accordingly, we seek your agreement that we will speak in support of the core elements of
s 6(a) *proposal*

- 18 These core elements include a commitment to equity, the concept of redistributing of revenues to address vulnerability to climate change, and convening a meeting to explore how to do this.

19 s 9(2)(g)(i), s 9(2)(j)

With or without agreement to commit to an equitable transition, the MBM proposals on the table at the IMO will give rise to decisions about institutional arrangements and the IMO's role in relation to revenues and assessing climate impacts. This means there will be opportunities for New Zealand to promote its preferred solutions in due course. s 9(2)(g)(i), s 9(2)(j)

s 9(2)(g)(i), s 9(2)(j)

s 6(a), s 9(2)(g)(i), s 9(2)(j)

- 21 New Zealand may be one of only a few countries that support the proposal at the upcoming IMO ISWG-GHG meeting. s 9(2)(g)(i), s 9(2)(j)

Next Steps

- 22 New Zealand's proposed response has been informed by MFAT, Maritime New Zealand, the Ministry for the Environment and Te Mahatū Waka.
- 23 Officials from MFAT plan to speak to the Minister of Climate Change next week to discuss the proposal further ahead of the ISWG-GHG meeting commencing on 16 May 2022.

**EVENT BRIEFING**

25 May 2022

OC220425

Hon Michael Wood
Minister of Transport

OFFICIAL LAUNCH OF THE SUSTAINABLE CAR LEASING PROGRAMME**Snapshot**

You have been invited to give a speech at the launch of the Sustainable Car Leasing programme, hosted by the Ākina Foundation, to officially hand over the first cars to the whānau participating in the programme. This briefing provides information to support that event and alert you to a risk around the launch.

Time and date	9am – 10am, 26 May 2022
Venue	31 Calthorp Close, Favona at the Nga Whare Waatea Marae Māngere, Auckland
Host	The Ākina Foundation
Speaking notes	Yes. Refer to Annex 1.

Contacts

Name	Telephone	First contact
Ewan Delany, Manager, Environment, Emissions & Adaptation	s 9(2)(a)	✓
Ella Sparrow, Adviser, Environment, Emissions & Adaptation	s 9(2)(a)	

OFFICIAL LAUNCH OF THE SUSTAINABLE CAR LEASING PROGRAMME

Programme overview

- 1 The Sustainable Car Leasing Programme (the Programme) is a collaborative pilot scheme between the non-profit, philanthropic and commercial sectors responding to transport-related costs, including vehicle-related debt. Such costs are a significant driver of financial hardship for lower socioeconomic households.
- 2 Participating families are provided with either a hybrid or electric vehicle (EV) suitable to their needs; families pay a weekly fee for this service. The Programme is modelled on a lease agreement. Participants do not own the car, but maintenance, basic repairs and insurance costs are bundled into their weekly payment.
- 3 The goal of the Programme is to increase the financial resilience of families through the reduction of financial pressures and high interest debt, increase the safety rating of cars on the road, and decrease greenhouse gas emissions from vehicles.
- 4 The Programme and official launch was originally scheduled for June 2021. However, ongoing Covid-19 lockdowns in Auckland and alert level changes resulted in repeated delays. This scheme has informed the shape of the Budget 22 social leasing initiative.

Programme delivery agencies

- 5 Ākina is Aotearoa New Zealand's leading impact development organisation. It works to create a world where positive social and environmental outcomes are at the heart of business. Ākina's primary role is to support the Programme's partners in working together and to identify opportunities for project development in each cycle of the pilot.
- 6 The Manukau Urban Māori Authority (MUMA) is the operational face of the Programme for the community. For over 30 years, MUMA has been leading the movement in forging and shaping the rights of Māori in urban settings. MUMA runs Building Financial Capability services and administers the Whānau Ora financial grants programme, Whānau Direct.

We have provided you with speaking points outlining the Programme's positive social, economic and environmental impacts

- 7 The speaking points provided outline the benefits of partnership and social enterprise in enabling a Just Transition towards better quality and lower-emissions vehicles.

s 9(2)(g)(i)

s 9(2)(g)(i)

s 9(2)(g)(i)

- 8 The Programme model requires a strong collaborative relationship between business leaders, community and government in order to create a pilot that has the potential to transition to a self-sustaining model over time.
- 9 Since the initial proposal and delayed Programme rollout, there has been a general decline in the social and financial wellbeing of the target participants in the Manukau area. Covid-19 impacts and the recent cost of living increases mean that access to reliable transport, as provided through this Programme, is a lower priority than meeting more immediate costs, namely housing and food.

s 9(2)(ba)(i), s 9(2)(g)(i)

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OFFICIAL INFORMATION ACT 1982

Annex 1: Speaking Notes

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

- Tēna koutou, tēna koutou, tēna koutou katoa -
- Thank you for your introduction.
- It is a real privilege to be invited to the launch of this new social leasing scheme developed by the Ākina Foundation.
- This initiative is exciting on a lot of different levels.
- It will help make a real difference to all the families involved by lowering their daily transport costs and lifting their standard of living in a time when there are many pressures on family budgets.
- At the same time it will help us meet our transport decarbonisation goals. It is a good example of what an equitable transition is all about.

[Climate change and transport]

- This Government recognises that climate change is one of the biggest threats we face.
- Land transport accounts for almost half of all of our national carbon dioxide emissions.
- At the same time there are a lot of opportunities in transport to reduce greenhouse gas emissions - but the longer we delay action, the more difficult it gets.
- It's time to act while there is still time: for our children, and our grandchildren, and ourselves. We are already bearing the brunt of years of inaction.
- This is why Parliament declared a Climate Change Emergency in December and why this Government has prioritised action to mitigate climate change by taking meaningful action to reduce transport emissions.

[What the government is doing]

- We have launched the Clean Vehicle Discount, which incentivises the uptake of electric vehicles, and makes them more accessible to a wider range of New Zealanders.
- The Clean Vehicle Standard will complement the Discount, by setting an emissions target that suppliers have to meet across the vehicles they import, helping to provide Kiwis with more climate-friendly cars. This will commence in January 2023.

[CERF – Budget 2022]

- Alongside the Emissions Reduction Plan launch, last week, we announced \$1.2 billion of investment into the transport sector as part of the Climate Emergency Response Fund package.

- This package of funding will support some of the transport commitments in the ERP and signifies a huge step in making sure people have clean, green, affordable ways of getting about.
- The Clean Vehicle Discount Scheme has been successful in supporting the uptake of low emissions vehicles. However, we know for many families, the cost of transitioning to cleaner vehicles can be too expensive.
- Starting with an initial trial of up to 2,500 vehicles, the Clean Car Upgrade will provide targeted assistance to lower- and middle- income households to shift to low-emission alternatives in exchange for scrapping their old vehicle.
- Families who trade in their vehicle will receive support for the purchase of low emission vehicles or alternative modes of transport, such as an e-bike. By taking advantage of the Clean Car Upgrade, families will benefit from lower transport costs and will also be able to replace their high-emitting older vehicles with a safe and sustainable alternative.
- We have also announced a trial social leasing scheme, that will support low-income families to lease a safe, low-emission vehicle from a community organisation. We hope that the partnership being launched here today will demonstrate how we can successfully extend this concept to other communities.
- There is other support for Kiwis to make cleaner transport choices. Additional funding towards transport services and infrastructure investments will reduce reliance on cars and support uptake of active and shared modes.
- Investment will include rapidly rolling out urban cycleway networks, creating walkable neighbourhoods, supporting safer, greener, and healthier school travel, and making public transport more accessible and easier to use.

[Other]

- We have also previously announced the Sustainable Biofuels Obligation. From 1 April 2023, fuel wholesalers will be required to cut the total greenhouse gas emissions for transport fuels they sell by a set percentage each year, by deploying biofuels as a part of their fuel supply.
- The Sustainable Biofuels Obligation will prevent around one million tonnes of emissions from cars, trucks, trains and ships over the next three years and up to 10 million tonnes by 2035 to help us meet our climate commitments.
- Through the Auckland Transport Alignment Project, we are investing \$32.5 billion to ensure Auckland has a transport system that encourages more people to use public transport, alongside walking and cycling.
- The Government has also committed to decarbonising the public transport bus fleet by 2035. This could prevent up to 4.5 million tonnes of carbon emissions by 2050, and will help make our inner cities more liveable by reducing noise and pollutants.

- Having said all this, we recognise that there is much more to be done, including to ensure everyone benefits from this important transition
- Transport decarbonisation will stall unless low income New Zealanders can buy cleaner vehicles, or have good access to clean, convenient and affordable transport - including through EV car-share services.

[What the organisers are doing]

- It is so exciting to see the Ākina Foundation and Manukau Urban Māori Authority weaving together social enterprise, Māori leadership, businesses, philanthropy and the government in this initiative.
- It's exactly the kind of bold, caring leadership and innovation we need.
- The difference saving even \$100 a week on motoring costs through the scheme means the world to these families.
- It means that money can be better directed – to better food, or to doctor's visits.
- It also means financial freedom from high-interest loans that often accompany vehicle sales.
- Our transport system is not just about getting people or products from A to B.
- It shapes the quality and character of the places where we live, and how we experience life on a daily basis – including our opportunities to access employment, healthcare, and entertainment.
- Healthy and safe people, economic prosperity and environmental sustainability are all core transport outcomes for this Government.
- The lessons learned from this scheme will not only contribute to decreasing the carbon emissions from our light vehicle fleet, but will lead on to important co-benefits.
- These include improved safety ratings for vehicles on the road, and increasing the financial resilience of the families who benefit from this scheme, through reduction of transport related financial pressures, and high interest debt.
- To see innovation like we have here today is all the more motivating and encouraging, and that's why I'm so pleased to be at this launch today!
- Congratulations on the launch of this sustainable car leasing scheme, and thank you for your mahi to date and the mahi ahead in our collective challenge to reduce transport emissions.
- Tēnā koutou, tēnā koutou, tēnā koutou katoa.

25 May 2022

OC220281

Hon Minister Wood**Minister of Transport**

THE MINISTRY OF TRANSPORT'S FUTURE MODELLING CAPABILITY- PROJECT MONTY

Purpose

To provide you with an overview of the Ministry's future modelling capability, project Monty. No action is required, officials will discuss project Monty with you at the meeting scheduled for 1600hrs 2nd June.

Key points

- The Ministry is developing a *Systems Shift* approach to help the transport system navigate through the complex and multiple challenges facing the sector. This approach will provide guidance on what we need to focus on, over the next decade, to ensure we are on track to deliver objectives like decarbonisation, are using transport levers together, and are connecting with other systems.
- Tools like Monty, and our work on the Generational Investment Approach are key foundations for taking this evidence based, long term perspective. Monty is a step-change in our analytical toolbox, the Agent Based approach to transport modelling is fast becoming best practice across the globe to understand how transport affects people, their behaviours and journeys.
- Monty is a simulation tool supported by elements of machine learning. It simulates the choices that people make in undertaking their daily transport activities, e.g. travel to work, school, shopping etc. These choices are largely economically driven in terms of the cost and time spent using a particular mode of transport.
- Monty compares a base case scenario to a counterfactual scenario where a policy or infrastructure intervention has been made, e.g. road pricing or a light-rail system. Analysis of the differences in key metrics such as Vehicle Kilometres Travelled, emissions or mode-share can be made, alongside more societally related analysis using for example personas, can then highlight the impact on transport outcomes such as emissions.
- Monty provides the ability to also think about future scenarios encompassing the impact of changes in land-use, population, and infrastructure to test interventions and provide enhanced optionality in planning for the future of transport.

- Illustrative examples of analysis, drawn from our development work and a road pricing case study, along with a more fulsome explanation of the Monty methodology are provided in the attached presentation pack.

D. Daniel Jenkins

Dan Jenkins
Manager, Analytics and Modelling
 25 / 05 / 2022

Hon Michael Wood
Minister for Transport
 / /

Minister's office to complete:

☐ Approved

☐ Declined

☐ Seen by Minister

☐ Not seen by Minister

☐ Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Dan Jenkins, Manager, Analytics and Modelling	s 9(2)(a)	✓
Jade Mackay, Principal, Analytics and Modelling	s 9(2)(a)	