

Te Pānga o ngā mahi Hautū ki te Rautaki Whakaiti i te putanga Hau-rehu | Transport and the Emissions Reduction Plan

May 2022

The Emissions Reduction Plan contains targets and actions that **Te Manatū Waka will work on together with transport agencies, local government, iwi/Māori and communities across Aotearoa to achieve a 41% reduction in transport emissions by 2035. Achieving this will reduce our dependence on fossil fuels and give us a more sustainable, inclusive, safe and accessible transport system that better supports economic activity and community life.**

The Emissions Reduction Plan

This important document sets out Aotearoa New Zealand's first three emissions budgets and sets us on course to achieve our future emissions reduction goals successfully. It's a key step in our transition to a low-emissions future. It touches on all areas of our economy, including transport.

The plan has actions to seize the opportunities that a low-emissions future presents for business, communities and whānau and ensure a fair, equitable and inclusive transition, where no one is left behind.

How the Emissions Reduction Plan can help New Zealand

The actions in the Emissions Reduction Plan will help households reduce their costs, especially through decreasing the use of fossil fuel vehicles. The actions include increasing access to affordable, sustainable transport options such as public transport, and safer walking and cycling.

This plan will deliver significant co-benefits in addition to reducing emissions. For example, accelerating the uptake of cleaner vehicles will reduce harmful emissions that increase respiratory and cardiovascular illnesses. Increasing active travel will support better public health. Transport decarbonisation could also lead to job creation in related industries – such as biofuels production and development. Other co-benefits include creating better places to live, reduced congestion and noise, and increased transport reliability and affordability – delivering benefits for everyone.



Why we need to reduce emissions

Climate change is one of the biggest threats we face. The climate crisis is causing rising sea levels, more frequent flooding, coastal and inland erosion, and drought. It also threatens our precious biodiversity. If we do not make significant reductions in greenhouse gas emissions, we will not be able to avoid the worst impacts of climate change. This is our chance.

Transport is one of our largest sources of greenhouse gas emissions and is responsible for 17% of Aotearoa New Zealand's emissions (based on the Greenhouse Gas Inventory released in April 2022).

Decarbonising our transport system requires changing the way we travel. The Government is taking action to reduce transport emissions, focusing on three areas:

1. Reducing reliance on cars, and supporting people to walk, cycle and use public transport
2. Rapidly adopting low-emissions vehicles
3. Beginning work now to decarbonise heavy transport and freight

We want a transport system that provides safe, healthy and equitable access to transport for people. Good planning, transport options and infrastructure are needed in our rural communities as much as in our cities.

To reduce emissions from transport, many of us will have to change the way we get from A to B. A number of different initiatives will make it easier and cheaper to access other types of transport such as low-emissions vehicles, e-bikes, and public transport.

Key transport actions to reduce transport emissions

-  Improving the reach, frequency and quality of public transport and making it more affordable for low-income New Zealanders
-  Increasing support for walking and cycling, including initiatives to increase the use of e-bikes
-  Ensuring safer streets and well-planned urban areas
-  Continuing to incentivise the uptake of low- and zero-emissions vehicles through the Clean Vehicle Discount scheme and consider the future of the Road User Charge exemption for light EVs beyond 2024
-  Increasing access to low- and zero-emissions vehicles for low-income households by supporting social leasing schemes and trialling an equity-oriented vehicle scrap and replace scheme
-  Improving EV-charging infrastructure across Aotearoa to ensure that all New Zealanders can charge when they need to
-  Providing funding to support the freight sector to purchase zero- and low-emissions trucks
-  Requiring only zero-emissions public transport buses to be purchased by 2025
-  Supporting the uptake of low-carbon liquid fuels by implementing a Sustainable Aviation Fuel Mandate and Sustainable Biofuels Obligation.

A fair, equitable and inclusive transition

We want a transport system that provides safe, healthy and equitable access to transport for all people.

Low-income households spend a larger share of their budget on transport, and tend to be in areas with poorer transport choice. There are major opportunities to make society more inclusive and equitable, by transitioning to a zero-carbon transport system.

Many of the actions in this plan will support an equitable transition, including by making clean and affordable transport options more accessible for low-income and transport disadvantaged New Zealanders.



Fossil-fuelled cars

The Clean Vehicle Programme is helping to encourage much cleaner low-emissions vehicles into Aotearoa. We want to avoid Aotearoa becoming a dumping ground for fossil fuelled vehicles the rest of the world does not want. Fossil-fuelled cars will need to be phased-out in time to achieve zero-emissions transport. The Government will consider what further measures and commitments are needed to achieve this.



Social leasing scheme

The Government will support social leasing schemes to make access to cleaner, safer vehicles affordable for low-income households. This will enable access for households that rely on a private vehicle and can't afford to switch to a low-emissions vehicle. How this will be implemented, and trialled, will be developed alongside community partners to ensure that the design and operation of the scheme best fits the target locations and communities.



Public transport

We want to improve the reach, frequency, and quality of public transport, and make it more affordable for low-income New Zealanders. The Government will support local government to decarbonise public transport buses and achieve a major increase in all urban bus networks nationwide, including by improving bus driver terms and conditions. The Government will also work with local government to make public transport more affordable, with a particular focus on low-income users.



Congestion charging

The Government is considering progressing legislative changes to enable congestion charging following the recent Inquiry of the Transport Select Committee. If the Government decides to progress this, it will work with Auckland Council to design a scheme, engage with other councils at their request, and investigate ways to mitigate possible financial impacts of congestion charging on low-income households.



Scrapping high emitting vehicles

We need measures to make sure all New Zealanders can be part of, and benefit from, the transition to low-emissions transport. The Government will implement a vehicle scrap-and-replace scheme trial to make cleaner vehicles and low-emissions alternatives affordable for lower-income households. This draws on California's Clean Cars 4 All initiative. It will accelerate emissions reductions by retiring high-emitting vehicles earlier and replacing them with low-emissions ones or alternatives such as e-bikes, access to car shares or public transport. It will also reduce financial pressure for lower-income participants and remove unsafe older vehicles from our roads.



For more information:
<https://www.transport.govt.nz/area-of-interest/environment-and-climate-change/climate-change/>