



Simeon Brown
Minister of Transport

24 June 2024

Dear Minister

I note that on 30 May you introduced the Land Transport (Clean Vehicle Standard) Amendment Bill. I understand that this Bill could be passed under urgency in the coming weeks, thereby precluding the opportunity for comment through the normal process of having Bills scrutinised by a select committee. Given that possibility, I am taking the liberty of providing some feedback.

The amendment bill changes the date specified in the regulation making power under section 165C(1)(j)(iv), to bring forward by three years the ability of the Minister to prescribe the targets by way of regulations. It will also cancel the currently legislated ratchet of emissions standards for 2025, 2026 and 2027, anticipating that these will be instead set by regulations.

Emissions standards will have an important impact in helping New Zealand meet its statutory emissions reduction targets. How much of a role they should have is a political choice. That is not a debate I wish to enter.

However, policy certainty is crucial in ensuring an orderly transition for our economy. Given this, I would urge you to reflect on *how* any changes to emissions standards are made, and what precedent the process for making them may hold for the future.

Once these amendments come into force, it is important that any changes to the targets made by regulation, are prescribed on the basis of a robust, evidence-based, and transparent process. Section 175A of the Land Transport Act already acknowledges this in the requirement for targets set in both the Act, and regulations, to be reviewed. Section 175A also sets out the matters that the review must take into account.

Parliament clearly intended that any regulations, that are made to set targets, would be subject to review. To ensure this is carried through in your amendment bill, I suggest you make a minor amendment to the drafting of section 175A(a) so that the text that follows 'carbon dioxide emissions set out in section 175' is replaced with 'and not later than 30 June 2025, for targets prescribed in any regulations under section 167C(1)(j)(iv)'.

Alternatively, you could spell out in the legislation the criteria and methodology that will inform the minister's decisions around setting vehicle emissions standards, whenever they exercise the regulation making power. An amendment of this nature could leverage the drafting of section 175A as the criteria to be applied to those decisions. I appreciate that this drafting approach would be more complex than simply requiring a review.

Such a change would help ensure the public can have confidence in the standards set, regardless of what the political mix of the government is that sets them. I would be happy to discuss the issue with you at greater length.

Yours sincerely

A handwritten signature in black ink, consisting of a series of fluid, connected strokes. It starts with a long horizontal line on the left, curves upwards and to the right, then forms a vertical stem with a small loop at the top, and ends with a short horizontal stroke on the right.

Rt Hon Simon Upton

Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata