

1 July 2024

Hon. Simon Watts and Hon. Simeon Brown
Parliament Buildings
Wellington 6160

cc James Palmer and Audrey Sonerson

By email: s.watts@ministers.govt.nz and s.brown@ministers.govt.nz

Tēnā koutou,

Re: Failure to align Government Policy Statement on Land Transport 2024 with Emissions Reduction Plan

1. We are writing regarding the Government Policy Statement on Land Transport 2024 (**GPS 2024**), released on 27 June 2024.
2. In our submission on the Draft GPS dated 2 April 2024, we noted our concerns that the Draft GPS' approach to the First Emissions Reduction Plan (**ERP1**) was misguided. We elaborated on these concerns in a letter we wrote you on 14 June 2024.
3. We consider it unlawful for GPS 2024 to disregard ERP1.
4. Section 5ZG of the Climate Change Reduction Act 2002 (**CCRA**) provides that the Minister must prepare and make publicly available an emissions reduction plan. The emissions reduction plan sets out the "policies and strategies for meeting the relevant emissions budget".¹
5. Unsurprisingly, given its significant contribution to New Zealand's emissions, transport was a core component of ERP1. It set four transport targets, equivalent to a 41% reduction in transport emissions by 2035, and identified this as important to achieving the 2050 emissions reduction targets under the CCRA.²
6. The approach taken by GPS 2024, however, is in stark contrast. The GPS 2024 acknowledges this, noting that:³

¹ Climate Change Response Act 2002 [**CCRA**], s 5ZI(1).

² [First Emissions Reduction Plan](#), at p. 172.

³ GPS 2024 at p. 5.

One of the action items in the current Emissions Reduction Plan (ERP1), prepared under the previous Government, refers to *ensuring the next Government Policy Statement on Land Transport guides investment that is consistent with the emissions reduction plan*. Following the general election and a change of government in late 2023, the intended emissions reduction policies foreshadowed by the previous Government are being reassessed. For this reason, GPS 2024 has not undertaken the alignment exercise as anticipated in ERP1.

7. The problem is that the Government cannot choose to simply not “undertak[e] the alignment exercise as anticipated in ERP1”. Section 5ZI(4) makes clear that ERP1 applies to the entire duration of the first emissions budget period, which lasts until the end of 2025.
8. The CCRA provides that the Government is entitled to amend an emissions reduction plan for the purpose of “maintaining [its] currency”.⁴ For anything other than a “minor or technical change”, the Minister should use the “same process as required for preparing the plan” to amend it and supporting policies and strategies.⁵
9. In this case, the full process, including consultation, would be required, as any change to the ERP transport sector targets and policies is not a “minor or technical change” that could be made without full consultation.⁶ We also question whether ERP1 *could* be amended to align with the policy direction set out in GPS 2024, given the CCRA only envisages amendments to the extent that they enable emissions reduction plans to maintain their currency, rather than entirely change tack.
10. Unless and until ERP1 is amended, ERP1 remains the operative emissions reduction plan. ERP2 does not yet exist and is not due to take effect until 2026. The Government has proceeded on the basis of an error of law in disregarding ERP1, on the grounds that it will start engagement on ERP2 this year.

Next Steps

11. GPS 2024 should be amended to align with ERP1.
12. We are happy to meet with you and/or your officials to discuss further.

Yours faithfully,



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⁴ CCRA, s 5ZI(3).
⁵ Section 5ZI(3)(a).
⁶ Section 5ZI(3)(b).