

## Excerpt from draft Cabinet paper - draft dated April 2018

Office of the Associate Minister of Transport  
Chair, Cabinet Environment, Energy and Climate Committee

### MOVING TO A LOW EMISSIONS LIGHT VEHICLE FLEET: PROPOSED DIRECTION

#### Proposal

1. This paper seeks Cabinet's agreement to the direction of a discussion document for public consultation on options for transitioning to a low emissions light vehicle fleet in New Zealand.

#### Executive summary

10. I propose that the following options are canvassed for vehicles entering the fleet:

10.1. legislating that by 2035, all light vehicles entering New Zealand must be capable of being driven without fossil fuels;

#### **Requiring all light vehicles imported from 2035 to be capable of being driven without fossil fuels gives certainty to industry and consumers**

11. I propose legislating that by 2035 all light vehicles entering New Zealand must be capable of driving without fossil fuels. This means that all light vehicles entering the fleet will be zero emissions or low emissions. The types of vehicles currently meeting this requirement are pure electric vehicles, hydrogen fuel cell vehicles, plug-in electric hybrids and vehicles capable of being driven purely on biofuels.

12. An end date of 2035 supports the goal of New Zealand being a net zero emissions economy by 2050. It will send a clear signal that the long term direction is to phase out fossil fuels in road transport, and puts impetus on government to work to meet the target with supporting policies. Actions to improve fuel efficiency and accelerate EV uptake would support this requirement.

13. This direction will provide certainty to the vehicle and energy industries, and to consumers. It will give greater confidence to transition to low or zero emission vehicles and renewable energy sources for transport. This will accelerate the widespread provision of EV charging infrastructure. The legislated end date provides greater certainty to consumers that they can confidently switch to EVs.

14. The end-date of 2035 is a suitable target for New Zealand. Once policies to regulate a vehicle fuel efficiency standard and introduce a feebate scheme are in place, in time it is likely that the great majority of vehicles entering the fleet will be zero or low emissions. For instance, the Ministry's fast-base scenario for EV uptake projects that light vehicle registrations will be over 80 per cent in 2035. This scenario assumes that there are no barriers to the supply of electric vehicles to New Zealand.

15. This proposed requirement reflects similar statements made by other countries, including the United Kingdom, Norway and the Netherlands. However, mandating the end date through legislation would be unique.