



PROACTIVE RELEASE COVERSHEET

Minister	Hon Simon Watts	Portfolio	Climate Change
Name of package	Proactive release of briefing on improving NZ ETS data availability and accessibility	Date to be published	7 Nov 2025

List of documents that have been proactively released

Date	Title	Author
30 September 2025	Briefing: Further improving NZ ETS data availability and accessibility	Ministry for the Environment

Information redacted **YES**

Any information redacted in this document is redacted in accordance with the Ministry for the Environment's policy on proactive release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Summary of reasons for redaction

Some information has been withheld from *BRF-6808: Further improving NZ ETS data availability and accessibility* under the following sections of the Official Information Act 1982:

- Section 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 interest that such information should continue to be supplied
- Section 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 organization or officers and employees of any public service agency or organization in the course of their duty



Briefing: Further improving NZ ETS data availability and accessibility

Date submitted: 30 September 2025

Tracking number: BRF-6808

Sub Security level: In-Confidence

Actions sought from Ministers		
Name and position	Action sought	Response by
To Hon Simon WATTS Minister of Climate Change	Endorse the recommendation to run a different version of the NZU Holdings Survey Agree to proactively release this briefing	6/10/2025

Actions for Minister's office staff
Forward this briefing to: Minister of Forestry Return the signed briefing to the Ministry for the Environment (advice@mfe.govt.nz).

Appendices and attachments
1. 9(2)(ba)(i)

Key contacts at Ministry for the Environment			
Position	Name	Cell phone	First contact
Principal Author	Angela Christensen		
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Minister's comments

Further improving NZ ETS data availability and accessibility

Key messages

1. You have a priority to reduce volatility and increase confidence in the New Zealand Emissions Trading Scheme (NZ ETS) market. You requested advice on options to mitigate volatility in the NZ ETS market by increasing the availability of data relating to forestry and the New Zealand Unit (NZU, also referred to as units) stockpile.
2. Volatility in the NZ ETS market is influenced by a range of factors including domestic and international economic conditions, and most significantly by potential and actual Government policy decisions. NZ ETS stakeholders have signalled that the impact of Government policy on market volatility has significantly improved in recent years. Stakeholders have also signalled that improved access to data would help them better understand the supply and demand outlook for NZUs.
3. Two significant sources of NZ ETS data uncertainty are the quantity and timing of units from forestry planting and harvesting and information about the surplus stockpile. Both can be improved.
4. In response to stakeholder requests, the Ministry for Primary Industries (MPI) is working to publish the data that it compiles to support the Economic and Fiscal updates. MPI also intends to publish a longer-term projection (out to 2050) of NZU supply for forestry activities under three different scenarios, including land registered into various NZ ETS categories. MPI expects to publish this additional data by the end of 2025. It should help stakeholders improve their internal modelling of the NZ ETS and their decision making.
5. There are also opportunities to strengthen how the Government collects and analyses information to improve its understanding of the stockpile – particularly those units estimated to be “surplus” – and its impact on market supply and demand:
 - running a revised NZU Holdings Survey before each settings consultation to validate the surplus stockpile modelling, with the survey being kept confidential to encourage participation and protect commercial sensitivity
 - biennially, engaging an independent expert to review the methodology for calculating the surplus stockpile for the settings process
 - explore a new approach to estimating components of the surplus stockpile ^{9(2)(g)(i)}
[REDACTED]
[REDACTED]
 - improving access to existing publicly available NZ ETS data by creating a central landing page on the MfE website by the end of November 2025. This will maintain current agency ownership and hosting of data with the page linking to data published by other agencies.

6. Together, these steps will enhance the quality and transparency of publicly available information, potentially reduce volatility, and support informed NZ ETS participant decision making.

Recommendations

We recommend that you:

- a. **forward** this briefing to the Minister of Forestry

Yes | No

- b. **note** the work by Ministry for Primary Industries on forestry data and information

- c. **endorse** Ministry for the Environment to run a different version of the NZU Holdings Survey before each NZ ETS settings consultation, focused on a small but representative sample of NZ ETS participants and publish our overall conclusions about the stockpile as part of the NZ ETS settings work

Yes | No

- d. **note** the other stockpile information work that will be completed

- e. **agree** to proactively release this briefing

Yes | No

Signatures



Susan Baas
Manager – Market Assurance and
Operations
**Climate Change Mitigation and
Resource Efficiency**
30/09/2025

Hon Simon WATTS
Minister of Climate Change
/09/2025

Further improving NZ ETS data availability and accessibility

Purpose

1. This briefing updates you on steps officials are taking to improve the accessibility and availability of New Zealand Emissions Trading Scheme (NZ ETS) related data. These actions are designed to enhance transparency, support NZ ETS participant decision-making, build market confidence, and reduce market volatility. They also contribute to the long-term integrity and resilience of the NZ ETS, supporting the system to remain robust, trusted, and fit for purpose over time.

Availability and accessibility of information and data

2. Market volatility in the NZ ETS is influenced by a range of factors including domestic and international economic conditions, and most significantly by potential and actual Government policy decisions. NZ ETS stakeholders have told us that Government policy decisions and the adoption of a consistent protocol for releasing market-sensitive information have improved how information affects the market in recent years. However, as a compliance market, the NZ ETS market will always be sensitive to changes in Government policy.
3. Improving access to data may reduce some NZ ETS market uncertainty and volatility. It will support transparency and help participants make informed investment decisions, including Māori participants.
4. Government agencies publish a wide range of NZ ETS-related data and information.
 - Ministry for Primary Industries (MPI) publishes forestry data.
 - Environmental Protection Authority (EPA) publishes emissions and New Zealand Unit (NZU, also referred to as units) holdings information.
 - Ministry for the Environment (MfE) publishes NZ ETS forecast data (provided to inform the Crown's NZ ETS forecast revenue and expenses in the Treasury's Budget and Half Yearly Economic and Fiscal updates), reports and analysis as part of the NZ ETS settings process, and makes its NZ ETS Market Model available on request. Sharing the NZ ETS Market Model (which projects NZ ETS unit supply, demand, and price) enables participants to adjust assumptions to reflect their own understanding of how the market operates. This level of modelling transparency goes beyond what is typically made available. The most recent update was in May this year and around 40 organisations now have a copy.
5. We have heard from stakeholders that it can be difficult to find and reconcile the range of NZ ETS data available, because it is published by different agencies.
6. While each agency currently publishes NZ ETS-related data independently, MfE, MPI, and EPA collaborate actively to improve accessibility and availability of information and data and respond to stakeholder feedback in a coordinated manner. This coordinated

approach enables agencies to align resources and leverage expertise, supporting the efficient delivery of improvements in data accessibility and helping to avoid duplication in effort.

There are opportunities to make more NZ ETS-related data and information available and to make the data more accessible

7. Two significant sources of NZ ETS data uncertainty are the quantity and timing of units coming in and out of the market from forestry planting and harvesting, and information about the surplus stockpile – particularly how many NZUs are considered “surplus”. The stockpile is all current holdings of NZUs, a number of which are “surplus”, meaning they are not required for future surrender obligations and could be traded. We refer to this subset of NZUs as the surplus stockpile. Both sources of uncertainty affect the supply and demand on NZUs and both can be improved.
8. In assessing options to improve NZ ETS data availability and accessibility, we considered effectiveness, feasibility, stakeholder support, and potential to reduce market volatility. The opportunities that we plan to implement, as discussed below, reflect those that best meet these criteria while remaining proportionate and practical.

Forestry information

9. MPI has work underway to publish more data in response to stakeholder requests. This includes the data that it compiled for the March and October baseline updates. These baseline updates inform the Crown’s NZ ETS forecast revenue and expenses in the Budget and Half Yearly Economic and Fiscal updates. It primarily focuses on the area and attributes of the total registered post-1989 forest estate, and the NZU flows as a result of forestry emissions returns. This includes data such as forest type, age, accounting method, and activity. Given the complexity of NZ ETS forestry data, explanatory material will be needed to support stakeholders to interpret the data, which will likely require significant effort.
10. MPI also intends to publish a longer-term projection (out to 2050) of NZU supply for forestry activities under three different scenarios, including land registered into various NZ ETS categories.
11. MPI expect to publish this additional data by the end of 2025. It should help stakeholders improve how they model the NZ ETS, assess the timing and quantity of units entering the market from forestry, and validate their forecasts. This, in turn, will support more informed decisions about supply, demand, and investment. We will keep you updated on this process and any feedback from stakeholders.

Stockpile information

12. There are opportunities to strengthen how the Government collects and analyses information to understand the surplus stockpile.

Running a revised NZU Holdings Survey

13. Last year, stakeholders asked the government to run an ‘intentions survey’ to better understand the surplus stockpile. We designed the survey with stakeholders and ran it from 10 April to 1 May 2025.

14. Stakeholders supported a simple survey to understand unit holdings and intentions. The survey was sent to all unit holders on the basis that individual responses would be carefully protected but aggregated responses may be published.
15. We received a low number of responses relative to the number of unit holders, although the coverage in terms of unit holdings was higher, at just over 20% of total units held in private Register accounts. This was due to responses received from a few large unit holders. The low response rate meant that participation in the survey was not representative, making it difficult to draw useful conclusions. The survey did provide some useful qualitative insights into market behaviour, but the quantitative results were of lesser quality. We are currently preparing an aggregated and anonymised version of the findings to publish in response to stakeholder interest in the results.
16. We see value in repeating the survey, but with material changes in its purpose, questions, method, and publication. These changes are necessary due to limitations in the initial survey, including a low response rate, low representativeness, and low-quality quantitative data to inform the NZ ETS settings process. The updated survey would therefore only target large unit holders to get better coverage of unit holdings, and it would primarily use an interview format to encourage better survey engagement. The questions would test MfE's analysis of unit holdings and understanding unit holders' plans for their holdings.
17. It is crucial that all aspects of the survey remain confidential to protect commercial sensitivity and encourage participation. As such, we would not publish any interview outcomes, including aggregated results. We would only publish our overall conclusions about the stockpile. These would incorporate insights from the survey and form part of the NZ ETS settings process.
18. There is a risk that the survey feedback does not provide the information we need to gain further insight into participants' intentions. Repeating this survey over time will enable us to monitor its effectiveness and assess whether it is achieving its intended purpose – improving understanding of NZU holdings and informing surplus stockpile analysis – and to refine the approach based on participation rates and stakeholder feedback.

Review the surplus methodology

19. The surplus stockpile estimate is currently updated annually as part of the NZ ETS unit and price control settings advice from the Commission and MfE. In 2024, we commissioned Ernst and Young to review the surplus methodology. We used this and other qualitative and quantitative analysis to test and refine the wide range of assumptions about emitter and forester behaviour that underpin the surplus estimate. More recently, the surplus methodology was tested again through the joint review of NZ ETS advisory frameworks [BRF-6778 refers], which will inform the settings advice next year.
20. We plan to engage an independent expert to review the methodology biennially to support the NZ ETS settings process and we will publish their reports. In the years that we do this, we will do it in time for the report to be used by the Commission and MfE in developing their advice on unit settings and price controls.

9(2)(g)(i)

Create a central landing page

- 23. Finally, we see an opportunity to create a landing page on the MfE website to make the various NZ ETS-related data and information easier to access for NZ ETS participants. This will be completed by end November 2025. While government agencies currently publish a wide range of NZ ETS data, and MfE makes its supply and demand model available on request, this information is spread across multiple government agency websites. We have heard from stakeholders that it can be difficult to access and understand. MfE recently launched a similar landing page with key dates, events, policies, and announcements that has been well received by NZ ETS participants.¹
- 24. A few stakeholders have also asked government to provide a reconciliation of all the different NZ ETS data sets. We do not propose to attempt this exercise at this time because it would be very time-consuming and would come at the expense of other NZ ETS work. In particular, it would impact NZ ETS operational work such as integrity and conduct improvements and completion of the Cabinet Office Circular for the market sensitive protocol.

Other data initiatives

- 25. We also continue to work on various additional data initiatives to better understand the market. We have provided one example of these in Appendix 1 for your reference. ^{9(2)(g)(i)}

Next steps

- 26. We propose to proactively release this briefing once you have signed it. This would signal to the market that this work is underway.
- 27. We will report back to you on progress of work via the weekly update.

¹ <https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/ets/nz-ets-market/ets-timeframes/>

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