Summary of submissions

New Zealand's second emissions reduction plan 2026–30

Tā Aotearoa mahere whakaheke tukunga tuarua

Ministry for the Environment
Manatū Mō Te Taiao

Te Kāwanatanga o Aotearoa
New Zealand Government

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This document may be cited as: Ministry for the Environment. 2025. *New Zealand's second emissions reduction plan 2026–30: Summary of submissions*. Wellington: Ministry for the Environment.

Published in March 2025 by the
Ministry for the Environment
Manatū mō te Taiao
PO Box 10362, Wellington 6143, New Zealand
environment.govt.nz

ISBN: 978-1-991140-72-2
Publication number: ME 1879

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Our journey towards net zero, New Zealand's second emissions reduction plan 2026–30 (ERP2) was published on 11 December 2024 and will be in effect from 1 January 2026 until 31 December 2030. Emissions reduction plans are multi-sectoral, spanning a wide range of government responsibilities and sectors of the economy. The Minister of Climate Change is responsible for developing the plans, including making sure public consultation is held.

To fulfil that responsibility, the Ministry for the Environment (the Ministry) coordinated a submissions and consultation process on behalf of all agencies involved (Ministry of Transport, Ministry of Business, Innovation and Employment and the Ministry for Primary Industries).

On 17 July 2024, the Ministry released a discussion document that outlined initiatives, policies and actions the Government was considering for ERP2, as well as amendments to the first emissions reduction plan (ERP1). Public consultation was open for five and a half weeks. The Ministry received just under 1,840 written submissions, along with feedback gathered from consultation events and discussions (attended by approximately 1,400 people)[1]. The range of submitters included children and young people, Māori and iwi stakeholders, large sector advocacy groups, business, environmental non-governmental groups and others.

This summary of submissions describes the key themes and feedback from the Ministry's analysis of written submissions. Other agencies or departments also did more technical and in–depth analysis of the submissions about their sector or policies and the feedback from events and discussions attended by these sectors key stakeholders.

The written feedback covered many topics and issues, though some topics received much more feedback than others (see submitter information for further information on this variation). Submitters expressed very diverse views on:

- the proposed government actions
- whether more or different initiatives should be undertaken
- how effective submitters believed actions will be.

Key themes across the discussion document are summarised below.

[1] Some people may have attended more than one event and would be included in this count more than once.

Table 1: Outline of key feedback themes

Issue/topic	Key feedback
What New Zealand is doing well	Most submitters believed that some things are working well in New Zealand, and progress is being made. However, many also thought that more could and should be done, including stronger government action.
The scope and ambition of ERP2	Across all areas covered by the discussion document, submitters made strong calls for proposals to go further, and to include more activities and policies to increase the likelihood of meeting budgets and targets. Covering all sectors, submitters suggested ways the Government should encourage or require businesses, industries or households to focus on reducing the amount of greenhouse gas emissions they contribute. Submitters suggested two main sectors should be added to the plan: built environment/building/housing, and research/science/innovation/technology.
Balancing a policy focus on gross and net reductions[2]	Some submitters acknowledged that carbon removal and storage should be a key element of New Zealand's emissions reduction plan because of its flexibility and potential co-benefits. By contrast, other submitters strongly believed we should prioritise reducing gross emissions, expressing concerns that a net-based approach risks disincentivising actions to decarbonise at source. Concerns were raised about the potential environmental risks of a net-based approach that relies on technological solutions and afforestation.
Use of technology	Some submitters expressed support for exploring technological possibilities and investing in research, innovation and development. Support for technology was countered by a dominant theme from submitters that reliance on technological solutions to meet near-term budgets is a high-risk strategy.
Balancing near-term financial cost-effectiveness with longer-term costs and benefits	Submitters believed that, when making decisions about what to include in the plan, the Government should consider a wider range of short- and long-term benefits/costs that come from emissions reduction and removals activities.
ERP1 amendment	Minimal support was expressed for removing actions from the first emissions reduction plan. Submitters highlighted concerns about risks to meeting the first emissions budget and future budgets, and about the risk of losing momentum for reducing emissions. Submitters provided feedback (mostly not in support) on specific discontinued policies (such as the clean car discount, Government Investment in Decarbonising Industry Fund, Climate Emergency Response Fund), and on the approach to managing distributional impacts and an equitable transition.

[2] Gross reductions mean reducing the total amount of greenhouse gases New Zealand *creates* over time. Net reductions mean reducing the overall amount of greenhouse gases in the atmosphere *after* carbon has been removed and stored by trees or other 'removal' activity.

New Zealand's targets are 'net' targets meaning that any greenhouse gases that are created (gross emissions) should be equal to, or less than, the amount removed from the atmosphere.

Table 2: Outline of feedback on system as a whole

Issue/topic	Key feedback
The role of the New Zealand Emissions Trading Scheme (NZ ETS)	Submitters expressed notable support for the NZ ETS being a key part of the approach to tackling emissions. However, this support was often caveated with calls for changes to how the NZ ETS works, to make sure it can have the necessary size and scale of impact to be key lever. Submitters showed strong support for ending industrial allocation, and for more action to create a stable but rising price. Some submitters were concerned that the NZ ETS incentive structure contributes to unsustainable land-use change (conversion of farmland to exotic forestry).
Funding and financing mitigation	Feedback indicated the key to increasing private investment in mitigation activities was providing certainty about government direction, strategy, policies and actions over the medium-to-long term.
Managing the impacts of mitigation policies	Strong support was expressed for additional actions to mitigate the impacts of policies, and of climate change more generally. Submitters were most concerned about the flow-on effects of the NZ ETS, transport sector and energy sector transitions on lower-income households and communities. Submitters also emphasised the impacts on rural communities stemming from changes in land use.
Working with Māori and iwi	Submitters noted that Māori will be affected in similar ways to other New Zealanders, but they are more vulnerable to job loss and reduced household income. In addition, submitters noted some impacts of climate policy and climate change unique to Māori and iwi that they believe need to be carefully managed and considered, including effects on Māori-owned land, obligations under Te Tiriti and settlement agreements, and cultural impacts. Submitters identified important considerations to help mitigate risks to Māori and iwi – including dedicated funding streams, involvement in policy design and decision making, and support for capacity building.
Supporting sectors to adapt	Aside from costs, submitters believed that barriers to taking adaptation action include inadequate governance/decision-making structures, insufficient accurate, useful data and evidence, and a lack of understanding about risks and what to do about them. Submitters noted that the central government's role was to ensure access to adequate funding and finance to cover adaptation costs, and to take an enabling leadership role in making sure decision-makers have the information they need to make pivotal decisions.

Table 3: Outline of feedback on individual sectors

Sector	Key feedback
Energy	Submitters expressed support for the overall approach to energy emissions reductions in the discussion document. Alongside support, however, submitters called for the Government to go further with initiatives – not just in generation and supply, but at a household level, to help reduce demand for electricity or improve affordability. Solar power was not specifically covered in the discussion document, but 244 submitters expressed support for it. Most submitters who commented on the role of low-emissions fuels didn't think current policies incentivise investment in these. Submitters raised concerns about the use of carbon capture, utilisation and storage (CCUS) and called for an end to oil/gas/coal use.

Sector	Key feedback
Transport	Submitters showed moderate to strong support for individual actions and initiatives mentioned in the discussion document. In contrast, almost no submitters commenting on this topic supported the overall package of proposals for the sector. The view coming from submitters was that the actions in the discussion document were useful and had benefits but, submitters overall identified a wider set of actions to prioritise than what was proposed. Many submitters called for more support for public transport and active transport, as well as support for upfront costs of switching to electric vehicles (EVs) and expansion of the charging infrastructure.
Agriculture	Just over half of all submitters thought more should be done in the sector to reduce emissions, even if they did not identify specific actions. Some submitters expressed interest in the potential of technological solutions and noted the opportunities for the Government to help advance research and development, to advance more quickly towards affordability and accessibility at scale. Submitters indicated strong support for pricing agricultural emissions, calling for this to happen before 2030.
Foresty and wood processing	Almost all submitters did not support the approach or felt more actions should be included. Submitters expressed a very strong preference for increasing native planting, including afforestation of Crown-owned land. Of the submitters who commented on potential growth of wood products and the wood processing sector in the future, almost all believed the sector will expand.
Non-forestry removals	Submitters indicated moderate support for the approach outlined in the discussion document as well as support for additional actions being included in the plan. Submitters considered using wetlands and peatlands as the main opportunity for non-forestry removals, with some submitters noting considerable possible co-benefits. Submitters identified barriers to non-forestry removals that the Government should make efforts to overcome, including upfront costs, uncertainty around land-use regulation, and lack of incentive in the NZ ETS or other credit systems.
Waste	Submitters expressed strong support for the two key parts to the approach: organic waste disposal and landfill gas capture, and resource recovery infrastructure and systems. However, almost all submitters felt there should be more actions including policies or initiatives to expand recycling services and avoid waste creation, and/or to grow the circular economy.

Where to find more information:

- ERP2 discussion document and its technical annex
- ERP2 and its technical annex
- requirements for an emissions reduction plan under the Climate Change Response Act 2002
- submissions from those who consented to publication.

Submitter information

We received feedback from a diverse range of people

The consultation received just under 1,840 submissions, as well as feedback from approximately 1,400 people who attended discussions and online workshops. Figure 1 outlines the different groups of people who made written submissions. Submitters could identify with as many different groups as they wanted to (for example, a young person who is part of an environmental non-governmental organisation). This means the groups are not directly comparable with each other.

Figure 1: Overview of the groups of people who made written submissions

1,836 total written submissions	**345** from those representing some kind of organisation (like a business, a sector or a community group	**1,491** from individual people
194 from young people, or youth organisations / student groups	**153** from children	**71** from people who identified as Māori, iwi representatives, or representatives of Māori organisations
56 from local or regional government	**90** from academics /subject-matter experts	**49** from those associated with the forestry or wood processing sector
34 from those associated with the waste sector	**69** from those associated with the transport sector	**64** from those associated with the energy sector
75 from those associated with agriculture	**768** from NGOs, community groups, and **87** from environmental NGOS/charities	**33** from NZ ETS market participants or those interested in the NZ ETS

The amount of feedback varied across topics

The discussion document included 63 questions across 12 chapters (and a preliminary 'general' section) that submitters could focus feedback on. The questions are listed in full in appendix 1. People could answer as many or as few questions as they wished. Some focused on a specific chapter, sector or topic, whereas others provided feedback across a range. Table 4 shows the variation in levels of feedback across chapters. Some submitters also provided thoughts or ideas beyond the discussion document questions.

Table 4: Spread of submitters by topic

Chapter/topic	Number of submitters who answered one or more questions
Share your views – general feedback	821
Chapter 1. Our approach to New Zealand's climate change response	(included in counts for general feedback and chapter 12)
Chapter 2. Tracking our progress towards meeting emissions budgets	216
Chapter 3. Strengthening the New Zealand Emissions Trading Scheme	1,249
Chapter 4. How we fund and finance climate mitigation	242
Chapter 5. Energy sector	605
Chapter 6. Transport sector	741
Chapter 7. Agriculture sector	534
Chapter 8. Forestry and wood processing sector	345
Chapter 9. Non-forestry removals	300
Chapter 10. Waste sector	307
Chapter 11. Helping sectors adapt to climate change impacts	158
Chapter 12. Addressing distributional impacts of climate mitigation policy	454

Collecting and reporting on feedback

Several ways to provide feedback

Submitters could provide written feedback by:

- email or post to the Ministry
- completing an online form hosted on the Ministry's website
- uploading their submissions on the Ministry's website.

Overall, the Ministry received 258 submissions by email, 656 via the online platform and one postal submission. A single community group also collated 961 submissions, including from children, and provided those submissions in bulk to the Ministry.

Event feedback

Along with the written submissions collected, the various agencies hosted 40 discussions and consultation events, covering different topics. These events had approximately 1,400 attendees (noting that some people attended more than one event or provided written submissions as well as attending events).

The percentages and figures presented in this document do not include attendance at these events.

Roles and responsibilities

Staff from the Ministry read and analysed all the written submissions. The analysis focused on the discussion document questions and other common cross-sector themes or issues raised by submitters.

The relevant agencies also reviewed and analysed all submissions related to their chapter or sector. This analysis focused on technical issues and in-depth feedback that was very specific to a sector. This meant an additional layer of analysis could be added, by applying the knowledge and understanding of those who work in each sector, including subject-matter experts from the:

- Ministry for Primary Industries
- Ministry for Transport
- Ministry of Business, Innovation and Employment
- Climate Change Chief Executives Board.

Submission management process

Figure 2 below shows the process undertaken to turn individual submissions into findings and advice to Ministers.

Figure 2: Process from submissions to advice

The Ministry used three key tools in collating, processing and analysing submissions, as outlined in table 5.

Table 5: Tools for processing and analysing submissions

Step	Tool	Description
Receiving submissions	Citizen space	This is an online portal, hosted on the Ministry website, where submitters could directly write in their feedback for each question and provide other 'free text' feedback. Submitters could upload documents as part of their submission. Citizen space is commonly used by many government agencies.
Coding submissions	Croissant	This is a qualitative data-coding software tool developed by the Ministry for submissions management. 'Coding' is a process where each submission is read, and the relevant sentences are tagged to a particular answer. The tagged content is later reviewed and analysed again to identify key issues, common themes, etc. All agencies responsible for content in the discussion document developed a set of tags, which the Ministry applied during this process.
Quantitative analysis	PowerBI	This is a common piece of analytical software that is used to understand the coded feedback from a quantitative point of view. This tool gives analysts data like the percentage of submitters that supported a specific point.

Reporting on feedback

In interpreting and understanding the findings in this summary of submissions, please note the following caveats about the reporting method.

- Any percentages given are based on the number of submitters who provided feedback on that specific question or topic. Because that number varies, take note of the total number of submitters being included in a specific result.
- The findings reflect coded data. All efforts were made to accurately represent submission content, but a minimal amount of miscoding may have occurred.
- Submitters could belong to more than one demographic group, so demographic groups are not directly comparable.
- Submitters who identified with a subgroup (eg, 'energy submitters') will also appear in counts of 'all submitters'.
- Submitters could choose what areas to give feedback on and how much detail to provide, which means:
  - for instance, a submitter may have provided a lot of detail about potential actions that could help reduce emissions – but may not have indicated whether they supported the specifics of the proposals
  - a submitter may have indicated both support and a lack of support for the same policy – generally because they considered it has positive and negative aspects
  - for the more technical or specific questions, answers may be from a much broader group of submitters rather than from subject-matter experts. This would present a different 'public' view than would answers provided by a smaller subset of people (eg, electricity generators).

- This is not a report of every piece of collected data – rather, it is a summary of key issues and common points. This means some results are not covered, as they reflected only small areas of response, or there were no clear themes/patterns in that feedback.

Feedback in this report is clustered into groups, using terms that represent the percentages of submissions. These are outlined in table 6 below.

Table 6: Quantification of submitters

Cluster	Percentage of submitters who answered a question or commented on a topic/issue
Few/minimal	5% or less
Some/limited	6–25%
Many/moderate	26–50%
Most/notable	51–80%
Almost all/significant	81% or more

System-wide feedback

Approach to emissions reduction plans

Discussion document questions on this topic explored submitters' views on:

- what is already working well
- balancing net and gross reductions
- which sectors of the economy should be included in the plan
- amending the first plan.

Analysis of feedback identified other common threads that were not directly connected to specific questions, but which relate to the overall approach to ERP2. This feedback is summarised below.

What New Zealand is doing well to reduce emissions

Number of submitters on one or more questions in this section: 476

Key points:

- Most submitters believed that some things are working well in New Zealand, and progress is being made.
- However, many also thought that more could and should be done, including stronger government action.

Submitters were asked what they think is or isn't working well in New Zealand to address climate change, especially to manage emissions. 476 submitters gave feedback on this section. Note that submitters may have commented in other sections about something that is/isn't working well, and that may not be reflected in this summary.

Of the 476 submitters, 336 (70%) identified a wide variety of things they believed are working well, such as:

- recent falls in emissions (62 submitters (18%))
- that the New Zealand Government accepts climate change is an issue and has legislation in place to address it (61 submitters (18%))
- our renewable energy generation (34 submitters (10%))
- actions of individuals, households and communities to reduce their emissions (33 submitters (10%))
- having the New Zealand Emissions Trading Scheme (NZ ETS) in place (32 submitters (10%))

In contrast, 210 submitters (44%) considered some things aren't going well or are hampering efforts. Of the submitters who didn't think things are going well, 93 gave no further detail on why. Of the submitters who gave reasons, just under 100 felt that Governments have not been

going far enough to create change. A small number of submitters noted a very wide range of other reasons, such as:

- the functioning of the NZ ETS
- a societal preference for economic growth over addressing climate change
- the impact of the agricultural sector on New Zealand's emissions.

The scope and ambition of ERP2

Key points

- Across all areas covered by the discussion document, submitters made strong calls for proposals to go further, and to include more activities and policies to increase the likelihood of meeting budgets and targets.
- Covering all sectors, submitters suggested ways the Government should encourage or require businesses, industries or households to focus on reducing their direct impact on climate change and the greenhouse gas emissions they contribute.
- Submitters suggested two main sectors should be added to the plan: built environment/building/housing, and research/science/innovation/technology.

Across all areas covered by the discussion document, including individual sectors, submitters commonly suggested additional policies or interventions should be considered. The summaries below contain more information about this 'call for more'.

A theme of the feedback was that the next five years is an important time – not just to make sure New Zealand meets the second emissions budget (EB2), but to set us up to meet future, more challenging budgets. A small number of submitters discussed having a 'buffer' in place between projected emissions and budget limits, considering this to be the best way to reduce the risk of not achieving EB2 or EB3 due to unexpected events, or if actions in the plan do not produce the estimated level of reductions or removals.

There were 484 submitters who considered that other sectors or policy areas should be covered by ERP2. The most mentioned was the built environment/building/housing sector, with 201 submitters (42%) stating it should be covered and should include a focus on:

- the building and construction industry itself
- building codes and standards
- better integration of urban form and planning
- efforts to ensure energy-efficient homes.

Submitters also identified other key focus areas or suggestions, including:

- research/science/innovation/technology (68 submitters (14%))
- some kind of overarching methodology to better coordinate and integrate mitigation efforts across sectors, and to ensure actions are mutually reinforcing and do not unintentionally undermine each other (78 submitters (16%))
- more policies around circular economy and zero waste, inclusion of local government, a focus on behaviour-change policies and actions, and the health sector (more than 5%).

Balancing a policy focus on gross and net reductions[3]

Number of submitters on one or more questions in this section: 626

Key points

- Submitters acknowledged that carbon removal and storage should be a key element of New Zealand's emissions reduction plan because of its flexibility and potential co-benefits.
- By contrast, other submitters strongly believed we should prioritise reducing gross emissions, expressing concerns that a net-based approach risks disincentivising actions to decarbonise at source.
- Concerns were raised about the potential notable environmental risks of a net-based approach that relies on technological solutions and afforestation.

Submitters acknowledged the role of removals in the mitigation of climate change. Of these, 164 submitters considered that a net-based approach has some advantages, with the most mentioned being:

- a belief it is realistic and/or flexible, makes the targets more achievable, and gives New Zealand more 'tools' to use towards achieving net zero (57 submitters (35%))
- the potential to support biodiversity and other environmental co-benefits through use of native afforestation, nature-based removals, etc. (18 submitters (11%))
- that using removals to achieve targets and budgets may be less costly and less disruptive than not using them (14 submitters (9%)).

However, the majority of feedback (from 530 submitters) focused on the disadvantages, with the most commonly mentioned being that a net-based approach:

- sends signals that decarbonisation and gross reductions are not a priority (357 submitters (67%))
- relies on future technological innovation, which may not have enough impact to make a difference – especially technology for CCUS and agricultural emissions (210 submitters (40%))
- is a short-term solution that is likely to make meeting future budgets more challenging (179 submitters (34%))
- risks incentivising unsustainable land use, because of forestry's inherent role in a removal activity (154 submitters (29%)).

[3] Gross reductions mean reducing the total amount of greenhouse gases New Zealand *creates* over time. Net reductions mean reducing the overall amount of greenhouse gases in the atmosphere *after* carbon has been removed and stored by trees or other 'removal' activity. New Zealand's targets are 'net' targets – meaning any greenhouse gases that are created (gross emissions) should be equal to, or less than, the amount removed from the atmosphere.

The use of technology as part of emissions reduction

Key points

- Some submitters expressed support for exploring technological possibilities and investing in research, innovation and development.
- Support for technology was countered by a dominant theme from submitters that reliance on technological solutions to meet near-term budgets is a high-risk strategy.

The discussion document did not contain specific question about the role of technology in the overall approach to ERP2. Nonetheless, feedback across several sector chapters covered this topic. Although some submitters believed the Government should support and invest in technological development, the dominant theme from submitters was that reliance on technology to meet budgets is a high-risk strategy. Submitters mentioned issues such as:

- specifically noting reliance on emerging technology as a disadvantage/risk of a net-based approach (210 submitters) (across all areas of feedback, this point was made by 330 submitters)
- concern about the use of CCUS specifically (157 submitters)
- barriers to the use of tech in agriculture – overall, submitters believed that while promising, significant near-term challenges are unlikely to be addressed quickly (such as high costs, beliefs and attitudes, a lack of technological options, and a lack of understanding among farmers) (156 submitters)
- other concerns about reliance on technology solutions, including that:
  - it may reduce motivation and interest in working on gross reductions
  - it may take resources away from expanding solutions that are already in place
  - the effectiveness and safety of technology is not yet proven at scale
  - products and services are unlikely to be affordable enough for large-scale uptake/impact during the EB2 period
  - potential unintended negative consequences (especially environmental ones, such as emissions leakage or environmental damage) are not yet fully understood or mitigated.

Some support was expressed for technological solutions, including by submitters who:

- identified opportunities for non-forestry removals in New Zealand through CCUS (57 submitters) and through blue carbon/marine removal technology (42 submitters)
- identified the emerging technology of biomass/biochar as an opportunity (49 submitters)
- suggested that ERP2 include a section and policies on research/science/innovation/ technology (68 submitters)
- thought the Government should do more to develop biogas/bioenergy technology in New Zealand (32 submitters)
- supported a technology-driven approach to reducing emissions in the agricultural sector (18 submitters)
- suggested the Government should consider ways to invest or support investment in the research and development phases of agricultural technology (72 submitters).

Balancing near-term financial cost-effectiveness with longer-term costs and benefits

Number of submitters on one or more questions in this section: 125

Key points:

- Submitters believed that, when making decisions about what to include in the plan, the Government should consider a wider range of short- and long-term benefits/costs that come from emissions reduction and removals activities.

On this topic, 105 submitters (84%) from a wide range of sectors and groups considered that cost-effectiveness should not be the key focus of the approach to ERP2. The main reasons given for this included a belief that:

- too sharp a focus would inappropriately discount longer-term health, social and environmental costs/benefits (42 submitters (40%))
- the approach will cost more in the long term (24 submitters (23%)), because:
  - delayed mitigation costs will become more expensive in the future
  - impacts on the economy of faster/sharper transition will be greater in the future because actions were not taken earlier
  - savings made in near-term emissions mitigation will be outweighed by other societal, health or economic costs, or by increased adaptation costs
- such a focus prioritises supporting businesses and industries, and risks conditions for market failure (17 submitters (16%)).

ERP1 amendment

Number of submitters on one or more questions in this section: 216

Key points:

- Minimal support was expressed for removing actions from the first emissions reduction plan.
- Submitters highlighted concerns about risks to meeting the first emissions budget and future budgets, and about the risk of losing momentum for reducing emissions.
- Submitters provided feedback (mostly not in support) on specific discontinued policies (such as the clean car discount, Government Investment in Decarbonising Industry Fund, Climate Emergency Response Fund), and on the approach to managing distributional impacts and an equitable transition.

When the EB2 period begins on 1 January 2026, ERP2 will come into force, and ERP1 will end. ERP1 contains the policies and actions to meet EB1 (which covers 2022–2025) and contribute to future emissions budgets. The Government's change in approach to reducing emissions led to several activities or policies in ERP1 being stopped.

Submitters on ERP2 were also asked to comment on the implications of the change of approach to ERP1. Of the 138 submitters who answered this explicitly, 113 (82%) did not

support the changes. Modelling showed the changes to ERP1 were not projected to affect New Zealand's ability to achieve EB1. However, submitters expressed concern about momentum slowing down, noting that flow-on effects could make it more challenging to achieve future, larger emissions budgets.

Other points were also raised, with 101 submitters noting some potential impacts of the changes to the approach to ERP1, including:

- social impacts, such as increasing inequality
- economic impacts, such as increased costs to households
- negative effects on New Zealand's international reputation.

The discussion document contained no question about specific changes to ERP1 policies. However, submitters provided feedback in this and other sections around three key policies discontinued in ERP1. These submitters expressed support for continuing or developing new initiatives along the lines of the:

- Clean Car Discount (214 submitters)
- Government Investment in Decarbonising Industry Fund (83 submitters)
- Climate Emergency Response Fund (43 submitters).

System-wide policies and strategies

The role of the NZ ETS

Number of submitters on one or more questions in this section: 1,249

Key points:

- Submitters expressed notable support for the NZ ETS being a key part of the approach to tackling emissions.
- Support was often caveated with calls for changes to how the NZ ETS works, to make sure it can have the necessary size and scale of impact to be key lever. Submitters showed strong support for ending industrial allocation, and for more action to create a stable but rising price.
- Some submitters were concerned that the NZ ETS incentive structure contributes to unsustainable land-use change (conversion of farmland to exotic forestry).

The discussion document outlined that the NZ ETS would be a key lever of ERP2, encouraging businesses (and therefore households, as consumers) to change their activities in a way that helps reduce emissions. Of submitters on this topic, 975 responded to the question of whether they supported this approach and whether they saw advantages or disadvantages in it.

Advantages of the NZ ETS

Of the submitters who answered, 587 (60%) supported or identified advantages to the NZ ETS being a key lever of ERP2. The most commonly identified advantages were that:

- it can encourage innovation and change that is led by the sectors or industries themselves as they respond to market conditions
- it is a key way to balance public and private costs of mitigating emissions.

Calls for changes to the NZ ETS to make sure it is effective

Submitters often tempered their support for the NZ ETS with calls for large-scale change to the scheme. Across the areas of the discussion document, a major theme arose from feedback on the scheme. Submitters considered that, without changes, the NZ ETS cannot act as the driver for reductions of the size and scope needed to achieve our emissions budgets and targets. The sentiment coming from submitters was that all emitting sectors need to 'do their fair share', and that that doesn't happen under current settings.

There were 378 submitters who explicitly said they did not support the use of the NZ ETS as a key lever, or who highlighted a wide variety of potential disadvantages or risks. These were mirrored by some of the suggestions to increase confidence in the scheme that were identified by just over 650 submitters. The common themes of these risks and suggestions for change were:

- end industrial allocation because it undermines the scheme (769 submitters)
- urgently include agriculture in the NZ ETS or establish a similar scheme (300 submitters) (this is discussed further in the section on the agriculture sector)
- use funds derived from the NZ ETS to co-invest in or directly finance decarbonisation activities (274 submitters)
- add a carbon border mechanism to New Zealand (231 submitters)
- ensure a stable and rising unit price, or the scheme will not be effective (125 submitters)
- a need for general adjustment of settings (116 submitters)
- concerns that, as currently managed, the scheme can lead to environmental impacts or maladaptation risks, especially from forestry (81 submitters)
- review the role of forestry in the NZ ETS (78 submitters)
- belief that, in its current state, the scheme enables large industries to avoid taking responsibility to stop emissions at source (74 submitters)
- improve management of the stockpile and auction caps, to help with a rising price (57 submitters).

Removals and the NZ ETS

As noted above, 78 submitters believed that better managing the role of forestry is a key way to support market confidence in the NZ ETS and ensure its effectiveness. Submitters also responded to direct questions about forestry and the NZ ETS.

When asked about their support for other approaches to incentivising removals, such as forestry in addition to the NZ ETS, 140 submitters responded. Of these, 65 submitters (46%) supported this approach, and 80 submitters (57%) were unsure or unsupportive. Of the 26 submitters who did not support this approach, they mostly considered that the focus should be on gross emissions, rather than removals via forestry.

Although 72 submitters provided a wide range of ideas for incentivising forestry outside the NZ ETS, none of the ideas was strongly supported by a majority. Suggestions included:

- government funding or financial support
- adjustments to regulation
- use of credit systems (voluntary carbon market, biodiversity credits, social credits)
- encouraging the development of new wood products or the use of wood in construction and building.

The most commonly identified disadvantage was that current settings incentivise unsustainable land use through exotic forestry. Many submitters noted this as a core reason they did not support using the NZ ETS as a main tool to meet EB2 –

Funding and financing mitigation

Number of submitters on one or more questions in this section: 242

Key points:

- Feedback indicated the key to increasing private investment in mitigation activities was providing certainty about government direction, strategy, policies and actions over the medium-to-long term.

Government actions and policies are only one part of the response to climate change. Decisions made by business, investors and philanthropists about funding or financing actions that support gross or net reductions also make a difference. For example, such decisions can affect:

- how much capital is available for research and innovation
- how much businesses are willing to invest in climate-friendly infrastructure upgrades
- the scale to which non-profit mitigation activities can grow.

Although these are ultimately private sector decisions, government signals and actions can create opportunities or help remove barriers to funding or financing.

Submitters were asked several questions about the funding and finance system, and common responses are outlined below.

- 103 submitters responded to the question of whether current measures in funding and financing were doing well. Of these, 34 submitters (33%) said partially, and the rest said no or were unsure.
- When asked what is working well, 38 submitters responded. Three main positives noted were:
  - funding and grants
  - climate-related financial disclosures
  - co-investment tools.
- Two main barriers to private investment, identified by 117 submitters, were:

  - policy uncertainty and a lack of clarity around government long-term strategy, especially as large-scale investment decisions are made on longer-term horizons (53 submitters)
  - financial barriers (44 submitters).
- In line with the identified barriers, the main actions 133 submitters considered would be helpful were more certainty around government policy, the sustainable finance strategy and taxonomy in place.

Managing the impacts of mitigation policies

Number of submitters on one or more questions in this section: 454

Key points:

- Strong support was expressed for additional actions to mitigate the impacts of policies, and of climate change more generally.
- Submitters were most concerned about the flow-on effects of the NZ ETS, transport sector and energy sector transitions on lower-income households and communities.
- Submitters also emphasised the impacts on rural communities stemming from changes in land use.

The Climate Change Response Act 2002 (CCRA) requires emissions reduction plans to include a strategy that mitigates the impacts the policies will have on different groups including employees, employers, households, communities, regions, and iwi and Māori. 'Mitigating the impacts' generally means taking steps to minimise or counter the potential direct or indirect negative impacts of the policies made to address emissions.

Although the CCRA specifically refers to the mitigation of emissions reduction plan policies, submitters often gave feedback in broader terms. Many submitters mentioned the role of the Government to support people affected by climate change more generally, or by the transition to a net zero economy, rather than by the direct ramifications of individual policies.

Submitters were asked if they thought there should be more support for those affected by emissions policies. Of the 76 submitters who responded to this question, 69 (91%) agreed there should be more support. A larger number of submitters (284) commented generally on the kind of actions they thought should be taken, including:

- more direct financial support for those affected by rising costs or employment challenges
- greater opportunities for retraining or upskilling for those working in industries that may change or disappear because of the transition
- more information and advice for affected groups about how things may change, where they can get support, and what help they can access.

There were 91 submitters who shared their views on which proposals in the discussion document would have the largest impacts for New Zealanders, with the three greatest sources of concern being:

- transport changes
- the effects of the NZ ETS on inflation and land-use change

- energy-related impacts.

Themes emerged from the specific concerns identified by 124 submitters about negative impacts, including:

- rising costs for households from increased costs of power, petrol and public transport, as well as a potential future need to switch to new appliances or EVs (in particular, submitters often noted the larger potential impact on lower-income households)
- impacts on rural communities from land-use changes and potential negative effects of forestry on communities close to harvesting
- concerns explicitly noted by a small number of submitters about impacts on employees (job loss, the need for retraining or upskilling, job insecurity).

Feedback related to mitigating the effects of policies on iwi and Māori is captured in the next section.

Working with Māori and iwi

Number of submitters on one or more questions in this section: 357

Key points:

- Submitters noted that Māori will be affected in similar ways to other New Zealanders, but they are more vulnerable to job loss and reduced household income.
- Some impacts of climate policy and climate change unique to Māori and iwi need to be carefully managed and considered, including effects on Māori-owned land, obligations under Te Tiriti and settlement agreements, and cultural impacts.
- Submitters identified important considerations to help mitigate risks to Māori and iwi – including dedicated funding streams, involvement in policy design and decision making, and support for capacity building.

The CCRA requires emissions reduction plans to include a strategy to mitigate the impacts of policies on iwi and Māori. 112 submitters noted the positive opportunities for Māori and iwi within the proposed actions in the discussion document or more broadly – for example, partnering with the Government in forestry and establishing Māori-led renewable energy projects (especially in solar power) at regional and local levels.

220 submitters provided comments on ways they believed the Government could support Māori- and iwi-led initiatives. These concepts were similar to those identified by the 31 submitters who commented on specific ways to mitigate the impacts for Māori and iwi. The possible support measure most often identified were:

- dedicated funding streams or investment support for Māori-led initiatives and actions, especially at the local and regional levels (for example, supporting projects in renewable energy) (115 submitters (52%))
- a greater opportunity for Māori to contribute to policy-making, decision-making and governance (87 submitters (40%))
- support for capacity building among Māori through education, and training for green economy jobs (54 submitters (25%)).

Submitters identified that the key risks from mitigation polices or climate change for Māori households are similar as for households more generally – rising costs and job loss or insecurity. Submitters acknowledged that Māori (especially those working in forestry or agriculture) are more vulnerable to these impacts, and that effects of climate change may cause further economic disparity.

75 submitters highlighted impacts specific to Māori and iwi, including:

- impacts on Māori- and iwi-owned land and on the ability to make decisions about land use (37 submitters (49%))
- impacts on the role of iwi and Māori as kaitiaki of the environment, environmental impacts and cultural impacts, including mātauranga Māori and cultural practices, including kaitiakitanga and mahinga kai (19 submitters (25%))[4]
- possible impacts on Te Tiriti rights, protections or settlements (18 submitters (24%)).

Supporting sectors to adapt

Number of submitters on one or more questions in this section: 158

Key points:

- Aside from costs, submitters believed that barriers to taking adaptation action include inadequate governance/decision-making structures, insufficient accurate, useful data and evidence, and a lack of understanding about risks and what to do about them.
- Submitters noted that the central government's role was to ensure access to adequate funding and finance to cover adaptation costs, and to take an enabling leadership role in making sure decision-makers have the information they need to make pivotal decisions.

The CCRA requires emissions reduction plans to include a multi-sector strategy to meet emissions budgets and improve the ability of sectors to adapt to the effects of climate change. The discussion document considered how the specifics of the ERP2 policies need to help sectors to either adapt positively (ie, creating adaptation co-benefits) or avoid maladaptation (ie, causing an increased or new risk to New Zealand's ability to respond to climate change).

In considering feedback on this topic, note that – unlike when ERP1 was developed – New Zealand now has a standalone national adaptation plan that covers a broad range of issues and strategies to support New Zealand's preparedness for the effects of climate change.

Submitters were asked about what barriers or challenges they think hinder organisations attempts at taking adaptation measures and 59 responded. A common thread running through their comments was that investment in adaptation measures, or taking steps to avoid maladaptation, are often deprioritised in the face of more immediate or near-term challenges. Specific barriers noted included:

- inadequate governance or institutional arrangements in organisations (26 submitters (44%))

[4] Mahinga kai refers to the gathering of natural resources, including food and the places those resources are gathered from. It reflects not just the physical work of gathering, but the cultural, spiritual and environmental practices associated with sustaining and protecting those resources for future generations.

- the size and scale of costs, especially if they include large infrastructure costs; uncertainty about where or what the best investment is; inadequate funding streams (24 submitters (41%))
- a lack of understanding and awareness of what the risks are, the size of the potential impacts and what to do about them (14 submitters (24%))
- a lack of data and evidence to help inform decision-makers (14 submitters (24%)).

Another central theme from submitters was that they saw the role of central government as being one of enabling leadership – that is, creating conditions that help local, regional, community and sector decision-makers navigate adaptation. Inversely, the barriers identified by submitters (as outlined above) mirrored the actions that 71 submitters suggested either within the plan or from central government, including:

- providing, or enabling the creation of, funding and financing streams dedicated to adaptation/maladaptation costs (29 submitters (41%))
- creating the mechanism and collections to ensure the availability of insightful, accurate data and information for decision-makers (19 submitters (27%))
- providing expertise and advice (9 submitters (13%)).

Sector feedback

Energy

Number of submitters on one or more questions in this section: 605 (including 64 energy sector submitters)

Key points:

- Submitters expressed support for the overall approach to energy emissions reductions in the discussion document. Alongside support, however, submitters called for the Government to go further with initiatives – not just in generation and supply, but at a household level, to help reduce demand for electricity or improve affordability.
- Solar power was not specifically covered in the discussion document, but 244 submitters expressed support for it.
- Most submitters who commented on the role of low-emissions fuels didn't think current policies incentivise investment in these.
- Submitters raised concerns about the use of carbon capture, utilisation and storage (CCUS) and called for an end to oil/gas/coal use.

Polices, initiatives and actions covered in the discussion document:

The Electrify NZ strategy was discussed – in particular, a focus on increasing renewable energy by removing investment barriers and challenges for infrastructure development (especially in consenting).

Steps to enable end users to electrify included the following.

- Ensuring security of electricity supply by:
  - improving the investment climate for natural gas production/supply and CCUS
  - mitigating the impact of severe weather on infrastructure
  - enabling development of new fuels and technologies, including renewable gases like biomethane and hydrogen, bioenergy, sustainable aviation fuels, offshore wind technology.
- Promoting affordability by:
  - the work of the Electricity Authority
  - developing an environment that encourages innovation and gives customers new ways to save
  - minimising impacts of costs on those least able to pay, through the Warmer Kiwi Homes programme.
- Enabling energy efficiency and a smarter electricity system by:
  - exploring ways to strengthen New Zealand's energy-efficiency and demand-flexibility regulatory regime

- amending the Energy Efficiency and Conservation Act 2000 so standards can be set in line with demand flexibility for devices like EV chargers
- exploring innovation in tariff design.

Overall energy sector proposals

Submitters were asked whether they supported the overall package of actions, initiatives and proposals in the energy section. Of the 217 submitters who answered this question, 203 (94%) were supportive and/or called for more action to be taken on top of what was outlined. A wide range of suggestions came from 148 submitters for additional actions to help reduce emissions, with the most common ideas including:

- closing the Tiwai Point aluminium smelter to divert supply (26 submitters (18%))
- practical actions to make houses more energy efficient, warm and dry – helping to reduce demand and provide health benefits, as well making electricity more affordable for households (22 submitters (15%))
- providing direct support to industries to decarbonise (18 submitters (12%))
- increasing government control of the supply of electricity (14 submitters (9%))
- increasing use of solar power and banning oil and gas (discussed further below).

Investment in renewable energy

Submitters identified a wide range of issues as being barriers or challenges to investment in renewable energy generation and network infrastructure. Comments on this issue came from 34 energy sector submitters, and 166 submitters overall. Commonly identified barriers were:

- regulation and requirements – including around consenting requirements for new infrastructure or activities (54 submitters (33%))
- barriers related to the network infrastructure across New Zealand (51 submitters (31%))
- costs or financing (44 submitters (27%))

Submitters were also asked if they thought the Government approach as outlined in the discussion document would support businesses and households to switch their energy use. Of the 110 submitters who shared a view, 59 submitters (54%) did not think it would make a difference, compared to 43 submitters (39%)) who thought it would. The rest were unsure.

47 submitters commented on what government actions may support investment in generation and supply. The responses covered suggestions such as:

- support for solar power
- green financing
- more direct government intervention in managing supply and demand.

Solar power

In addition to the feedback above, support for solar power was a recurring theme of submissions. While solar power was not covered by a specific question in the discussion

document, 244 submitters (including just under 20% of energy sector submitters) commented somewhere in their feedback that more action should be taken to increase the use of solar power in New Zealand. Suggestions in feedback included support for household-based solar generation and for commercial-based solar generation, as well as incentives for current generators to diversify into solar.

Oil and gas

As with solar power, there was no specific question in the discussion document on the role of oil/natural gas or coal. Nonetheless, 203 submitters commented on the issue, with 179 of these calling for oil/natural gas and coal to be banned as energy sources. In contrast, 24 submitters considered natural gas to be a key energy source during the transition to a net zero economy, calling on the Government to take actions that give more confidence to suppliers and users that this will continue.

Energy efficiency of businesses and households

149 submitters commented on perceived barriers for households and businesses to switch to more energy-efficient products or processes. Just over half of these (76 submitters) identified costs as the main barrier. Around 20–25% of submitters on this issue identified several other barriers, including: a lack of information or choices, changes in government policies, and a lack of incentive.

Submitters' suggestions to support households and businesses were similar to the suggestions provided on other topics, namely:

- supporting through the costs of switching
- support for making homes more energy efficient through subsidies, rebates, etc
- considering changes to building codes and standards.

Low-emissions fuels, CCUS and biofuels

Submitters were asked if they thought the actions in the discussion document would support private investment in low-emissions fuels and CCUS. Of the 113 submitters who provided a view, 28 submitters (25%) thought the actions would result in more investment, 72 submitters (64%) disagreed and 13 (11%) were unsure.

Ideas for how to support investment in these energy sources came from 82 submitters, with the most commonly suggested actions being:

- funding or financing support
- adjustments to legislation or regulation
- a clear commitment or strategy from the Government to help provide certainty to investors
- more support for research and development/innovation.

On the topic of development of biogas/bioenergy (including methane and bioethanol), 32 submitters considered the Government should support such development in New Zealand.

This was, however, sometimes caveated with acknowledgment that biofuels can displace land that would otherwise be used for food production, and that this risk needs to be managed. Although the discussion document contained no specific question on the development and use of biochar, 49 submitters expressed strong support for this.

Despite the discussion document containing no specific question about support for CCUS uptake, comments on CCUS development appeared in various sections of feedback. In total, 157 submitters indicated concerns about CCUS, which included:

- that the technology is not yet at scale and so is unlikely to provide notable abatement over the EB2 period
- results from some research indicate this technology is inefficient and carries a high risk of environmental damage or potential CO_2 leakage
- some international experience suggesting CCUS may be prohibitively expensive
- that CCUS may disincentive gross reduction activities.

In response to a specific question about actions that could be taken to support the uptake of CCUS in New Zealand, 67 submitters (9 from the energy sector) provided suggestions. Although 9 submitters are not many, notably, they had quite different ideas about the most useful actions. In particular, the main theme coming from submitters, overall, on this topic was government support for research and development into CCUS. By contrast, the main ideas from the nine energy sector submitters involved:

- changes to regulation/legislation
- funding and a commitment from the Government through a strategy or similar.

Although the overall group of submitters also supported these two actions, that support was not as strong as feedback from the energy sector submitters.

In the discussion on non-forestry removals, 57 submitters also noted CCUS development presented a potential opportunity to support emissions reduction in New Zealand.

Transport

Number of submitters on one or more questions in this section: 741 (including 70 transport sector submitters)

Key points:

- Submitters showed moderate to strong support for individual actions and initiatives mentioned in the discussion document.
- In contrast, almost no submitters commenting on this topic supported the overall package of proposals for the sector. This indicates submitters preferred a wider set of actions than what was proposed for the emissions reduction plan.
- Many submitters called for more support for public transport and active transport, as well as support for upfront costs of switching to EVs and expansion of the charging infrastructure.

Polices, initiatives and actions covered in the discussion document:

- Supercharging EV infrastructure and enabling 10,000 public charge points by 2030 by:
  - amending regulations related to installing public chargers
  - enabling standards to help shift at-home charging demand away from peak times
  - working with Electricity Authority to address barriers like connection costs and ensure a consistent approach to charges across distributors
  - reviewing Government co-investment for the network.
- Ensuring the Clean Car Importer Standard is effective.
- Supporting heavy vehicle fleet decarbonisation by:
  - removing regulatory barriers
  - a grant scheme for hybrid or zero-emissions heavy vehicles
  - reviewing vehicle dimension and mass rules.
- Supporting aviation and shipping decarbonisation by:
  - supporting industry-wide discussions and coordination, including through international cooperation and the establishment of Sustainable Aviation Aotearoa
  - considering regulatory changes
  - allowing low- or zero-carbon shipping on trade routes
  - reviewing domestic application of international carbon intensity requirements.
- Public transport developments by:
  - investing in several major public transport projects in Auckland and the lower North Island
  - funding public transport authorities to invest in bus decarbonisation.

Overall transport sector proposals

Submitters expressed moderate to strong support for individual actions and initiatives in the discussion document. However, when asked if they supported the overall package of actions, initiatives and proposals, of the 648 submitters who answered, almost all (96%) said they did not. The view coming from submitters was that the actions in the discussion document were useful and had benefits but, submitters overall identified a wider set of actions to prioritise than what was proposed. Submitters identified alternative priorities, including:

- much greater focus on public transport actions in the plan in general (458 submitters (71%)), and specifically:
  - Government support to reduce fares, especially for lower-income users (125 submitters (19%))
  - expansion of public transport routes and access in towns and cities beyond Auckland and Wellington, between regions and for rural areas (105 submitters (16%))
- support for Government actions to make mode shift and active transport more normalised and practical, through actions like:

  - making walking and biking safer and easier, to support not just emissions reduction but other health, social and economic benefits (293 submitters (45%))
  - more requirements for urban design/development to encourage things like safe and easy routes for active transport, roading/parking that prioritises public transport over private (136 submitters (21%))
- encouraging the move from petrol vehicles to hybrid and electric vehicles through direct purchase subsidies (234 submitters (36%))
- more Government investment in freight and passenger rail (240 submitters (37%)).

EV charging

Submitters were asked if they supported the activities proposed to increase the EV charging infrastructure outlined in the discussion document, and 258 submitters responded. Just under half (123 submitters (48%)) supported increasing the EV charging network as a discrete activity, with many expressing the view that charging reliability plays a role in decisions to purchase EVs. Some submitters also noted that without government support/incentives, private providers are unlikely to install infrastructure in more remote or rural areas.

Submitters were asked what actions could be taken to reduce barriers to expanding EV charging infrastructure. From the 171 submitters who responded, the most common themes from the wide-ranging feedback included:

- addressing the affordability and accessibility of EVs (92 submitters (54%))
- providing options to access funding for capital investment in infrastructure – focused not just on large providers, but groups (like councils or marae) who may wish to build small-scale, local charging stations (44 submitters (26%))
- making changes to planning/consenting or other regulations (25 submitters (15%))
- creating conditions that target the distribution of the network across the country to ensure smaller, rural and isolated areas are included (24 submitters (14%)).

In terms of calls for additional activities or actions to be included on this issue, a clear sentiment emerged that chargers alone aren't enough. Some submitters also commented that prioritising EV charging infrastructure over mode shift would mean missing the opportunity to address other vehicle-related issues (like congestion and end-of-life environmental effects). Submitters expressed concern that a focus on EV charging infrastructure favours those in higher socio-economic groups and doesn't address equity issues around access to affordable low-emissions transport options.

Submitters were also asked about the effectiveness of current transport sector tools such as road user charges (RUCs), speed limits and fuel tax. The feedback (from 66 submitters) mainly addressed RUCs in relation to EVs – the main feedback being that EVs and hybrid vehicles should be exempt from RUCs, to incentivise people to switch.

Heavy vehicle proposals

When asked whether they supported the proposals for heavy vehicles, 174 submitters responded. Of these, 115 submitters (66%) stated either that they were supportive, or that

they were supportive but wanted more actions. Submitters did not provide much explanation on the reasons for their support or lack of support.

Submitters were asked what actions could be included in the plan to support heavy vehicle decarbonisation or remove barriers, and 171 submitters responded. Of the wide range of views, the most common suggestions were:

- actions that require, support, or encourage alterative non-road transport options (58 submitters (34%))
- funding or financial incentives for decarbonisation in this sector (37 submitters (22%))
- regulatory or legislative changes (34 submitters (20%)).

Aviation and shipping proposals

Of the 186 submitters who answered the question about their support for the proposals for the aviation and shipping parts of the transport sector, 131 submitters (70%) either were supportive, or were supportive but still wanted more actions. Ideas for additional potential actions to support decarbonisation in these areas came from 210 submitters, with the most common being:

- regulatory or legislative change, especially in relation to fuel (97 submitters (46%))
- funding or subsidies for industry, mostly focused on fuel/battery and charging infrastructure or products (39 submitters (19%)). This idea was expressed more frequently among the 19 submitters from the transport sector.

Agriculture

Number of submitters on one or more questions in this section: 534 (including 75 agriculture sector submitters)

Key points:

- Just over half of all submitters thought more should be done in the sector to reduce emissions, even if they did not identify specific actions.
- Some submitters expressed interest in the potential of technological solutions and noted the opportunities for the Government to help advance research and development, to advance more quickly towards affordability and accessibility at scale.
- Submitters indicated strong support for pricing agricultural emissions, calling for this to happen before 2030.

Polices, initiatives and actions covered in the discussion document:

Providing tools to food and fibre producers by:

- accelerating the development and commercialisation of emissions reduction tools and technologies
- supporting clear and effective regulatory pathways for these tools

- standardising the estimation of farm-level emissions
- recognising on-farm carbon sequestration
- providing extension to support producers to make changes
- Implementing a fair and sustainable pricing system for on-farm emissions by 2030.

Overall agriculture sector proposals

Submitters were asked if they supported the overall package of initiatives and actions for the agriculture sector. Of the 317 submitters who responded, 60 submitters (19%) were supportive and 66 submitters (21%) were unsupportive, with the rest either being unsure or believing more should be done. The 60 submitters who supported the package noted their approval of specific points, including:

- the approach outlined to pricing agricultural emissions (33 submitters (55%))
- a technology-led approach to reducing agricultural emissions (18 submitters (30%))
- on-farm sequestration (10 submitters (17%)).

In total, 289 submitters called for more action across the agriculture sector to reduce emissions (including people who agreed or disagreed with the proposals). Most of those were general calls for the sector to "do more" or "do its fair share". The most common specific action discussed was agricultural pricing (discussed below). Other ideas included more actions that help reduce herd sizes, with a few submitters supporting actions that help farmers transition to other sustainable forms of farming, or that help with on-farm planting.

Farmer- and industry-led action to reduce emissions

When asked what actions would be helpful for farmers and agricultural industries to be able to take their own actions to address emissions, 231 submitters made suggestions including:

- helping to prepare for and invest in a switch to alternative ways of farming (77 submitters (33%))
- direct funding or subsidies for farmer- or industry-led action (71 submitters (31%))
- providing advice, education and information about emissions effects and options for addressing them (62 submitters (27%)).

There were 37 agricultural submitters on this topic, and about one-third supported the provision of standard measurement of greenhouse gas emissions – compared to around 6% of the overall submitters.

Use of technology to reduce agricultural emissions

Submitters were asked about the barriers for farmers to bring new emissions reduction technology into their farming practices, and 156 submitters shared their views (30 of whom were from the agriculture sector). The overall sentiment from submitters was that, while promising, the near-term challenges to using emerging technology at scale are significant and unlikely to be addressed quickly. The most commonly identified specific barriers included:

- an attitude or belief that such technology is not needed, or a lack of information about how it works (62 submitters (40%))
- a lack of different technological solutions or tools (59 submitters (38%))
- high costs of technology (50 submitters (32%), noting this was identified by just under 60% of the 30 agriculture submitters)
- regulations/legislation or various requirements/standards (29 submitters (19%), noting this was identified by 43% of the 30 agriculture submitters).

Ideas shared by 103 submitters (18 from the agriculture sector) about possible ways to encourage farmers to invest in or use emerging technology included:

- providing funding or subsidies, especially for high-cost technology or technology that requires notable capital investment (40 submitters (39%), noting this was identified by 56% of the 18 agriculture submitters).
- providing more information, education and advice, especially around benefits (27 submitters (26%)).

Submitters were asked about the most useful ways for the Government and the agriculture sector to prioritise what technology to invest in or support, and how.

The 72 submitters who responded most commonly supported investment in technology that is still in the initial research and development phase (21 submitters (30%)). Some submitters noted that promising technology is still far away from being safe, useful and effective at scale for farmers. Submitters expressed less overall support for other possible approaches, such as considering the type of greenhouse gas, the size of the impact, or which part of the agriculture sector a technology may help with. Among the 20 agricultural submitters on this topic, more support was noted for the sector-based approach, and for amending regulation and legislation.

Pricing agricultural emissions

Many submissions on the agriculture sector, as well as on other topic areas like the NZ ETS addressed the issue of pricing agricultural emissions. In total, 300 submitters considered that agriculture should urgently be included in the NZ ETS, or that a similar scheme should be developed.

Submitters were also asked about what should be considered in the design of an agricultural pricing system. Of the 107 submitters on this, no notable differences appeared in the feedback from the 25 agricultural submitters, compared to the overall pattern. The feedback spanned a very wide range of considerations, without any clear and strongly supported ideas in common. Some of the individual points made included:

- including on-farm sequestration
- addressing and responding to different needs and contexts across different subsections of agriculture
- carefully managing risks of emissions leakage
- incorporating wider social, environmental and economic impacts and effects that could result from a pricing system
- protecting trade and the international reputation of New Zealand agriculture

- balancing equity between the agricultural sector and other sectors covered by the NZ ETS.

Forestry and wood processing

Number of submitters on one or more questions in this section: 345 (including 44 forestry and wood processing sector submitters)

Key points:

- Almost all submitters did not support the approach or felt more actions should be included.
- Submitters expressed a very strong preference for increasing native planting, including afforestation of Crown-owned land.
- Of the submitters who commented on potential growth of wood products and the wood processing sector in the future, almost all believed the sector will expand.

Polices, initiatives and actions covered in the discussion document:

- Encouraging afforestation through appropriate incentives by:
  - restoring price stability and confidence in the NZ ETS, to give certainty to forestry
  - managing whole-farm conversions to forestry on high-quality land to protect highly productive farmland
  - partnering with the private sector to plant trees.
- Boosting wood processing by:
  - improving the consenting framework for wood processing
  - ensuring the Wood Processing Growth Fund continues to support commercial investment
  - addressing the settings to support building with wood.

Overall forestry and wood processing sector proposals

Submitters were asked if they supported the overall package of initiatives/actions for the forestry and wood processing sector. Of the 97 submitters who provided a view, 16 submitters (5%) were supportive, 46 submitters (47%) were unsupportive, and the rest were either unsure or believed more should be done.

Partnerships for planting on Crown-owned land

Submitters were asked what should be considered when setting up partnerships for planting on Crown-owned land, and 84 submitters responded. The considerations most mentioned were:

- ensuring the correct structure of partnership between private entities and the Crown (25 submitters (30%))
- accounting for the potential for carbon sequestration into the programme (12 submitters (14%))
- ensuring land availability (the four forestry and wood processing sector submitters noted this as important)

Submitters also mentioned a range of other considerations, including:

- the importance of working closely with Māori and iwi on this policy, in light of land rights and settlement issues
- ensuring benefit for the public/taxpayers – including those in the local areas of plantations – from any partnership
- making these partnerships wider than just central government and large private companies – finding ways to partner with iwi/Māori, local councils, and NGOs to help keep the benefits local.

Feedback arose on the issue of what of planting is best across the discussion document topics of:

- forestry and wood processing
- the role of the NZ ETS
- a net-based approach to ERP2.

Taken together, feedback on this issue (from 199 submitters) suggested a strong preference for using native species in any planting on Crown-owned land.

Wood processing

Submitters were asked their thoughts on the role of wood/wood-based products in the built environment moving into the future. Of the 133 submitters who responded, 95 (71%) believed the use of wood in the built environment will increase over time. Most submitters did not go into detail about why they believe this.

Actions to reduce emissions from forestry and wood processing

There were 203 submitters who shared views on ways to reduce emissions in this sector. A significant majority supported actions that increase the use of natives and decrease the use of exotics (77% of all submitters, and 72% of the 18 submitters from the forestry and wood processing sector). Much smaller numbers of submitters identified a wide variety of other potential actions, including:

- providing funding/subsidies for emission reduction activities
- supporting the integration of farms and forests
- providing incentives and conditions to encourage permanent forest, which can provide economic returns and benefits other than through harvesting (eg, biodiversity)

- turning slash and by-products into other useful products.

Non-forestry removals

Number of submitters on one or more questions in this section: 300 (including 35 non-forestry removals submitters)

Key points:

- Submitters indicated moderate support for the approach outlined in the discussion document, as well as supporting additional actions being included in the plan.
- Submitters considered using wetlands and peatlands as the main opportunity for non-forestry removals, with some submitters noting considerable possible co-benefits.
- Submitters identified barriers to non-forestry removals that the Government should make efforts to overcome, including upfront costs, uncertainty around land-use regulation, and lack of incentive in the NZ ETS or other credit systems.

Polices, initiatives and actions covered in the discussion document:

- Developing a process to assess the effectiveness of non-forestry removals for inclusion in the NZ ETS.

Overall non-forestry removals sector proposals

Submitters were asked if they supported the overall package of initiatives and actions. Of the 78 submitters who responded, 33 submitters (42%) were supportive, 16 submitters (21%) were not supportive, and 39 submitters (50%) believed additional actions and/or initiatives should be included in the plan.

When asked about which non-forestry removals approaches they think have the biggest opportunities in New Zealand, the 221 submitters who responded identified:

- wetlands and peatlands (100 submitters (45%))
- CCUS (57 submitters (26%))
- biomass and biochar (49 submitters (22%))
- blue carbon and marine (42 submitters (19%))
- on-farm vegetation (29 submitters (13%))

Of 92 submitters who provided their views on the main co-benefits of non-forestry removals activity, the main responses included:

- biodiversity (54 submitters or 59%)
- other types of environmental benefits (31 submitters (34%))
- economic benefits and benefits in terms of adaptation or addressing maladaptation (19 submitters (21%)).

Barriers to non-forestry removals

Submitters were asked to comment on key barriers to developing non-forest removals activity. From the 116 submitters who responded, the most common responses included:

- lack of options around biodiversity credits, the voluntary carbon market and uncertainty about recognition (52 submitters (45%))
- high costs and access to finance (34 submitters (29%))
- the NZ ETS settings (25 submitters (22%))
- competing land uses (21 submitters (18%)).

Incentivising land-use change

Non-forestry removals activity may require changes to the current use of land. On this issue, 48 submitters identified a wide range of risks and challenging trade-offs to be taken into consideration, including:

- loss of farmland
- a risk of 'locking in' land use and not having flexibility for changes to the environment
- concerns around the development of a system that is not well regulated.

Waste

Number of submitters on one or more questions in this section: 307 (including 35 waste sector submitters)

Key points:

- Submitters expressed strong support for the two key parts to the approach: organic waste disposal and landfill gas capture, and resource recovery infrastructure and systems.
- However, almost all submitters felt there should be more actions including policies or initiatives to expand recycling services and avoid waste creation, and/or to grow the circular economy.

Polices, initiatives and actions covered in the discussion document:

- Investing in resource recovery infrastructure and systems, including in projects and systems that:
  - divert organic waste, including from construction and demolition, and process it
  - develop and implement schemes for businesses, manufacturers and consumers to take responsibility for the products they produce and buy (product stewardship schemes)
  - expand and upgrade resource recovery facilities (including transfer stations)

  - investigate and, where appropriate, develop infrastructure for renewable energy recovery of hard-to-recycle materials (eg, wood waste).
- Investigating improvements to organic waste disposal and landfill gas capture.

Overall waste sector proposals

Submitters were asked whether they supported the two key proposed areas for action in the waste chapter, namely investment in:

- organic waste disposal and landfill gas capture (154 submitters responded, and 129 (84%) were supportive, but the majority did not expand on the reasoning for the support)
- resource recovery infrastructure and systems (21 submitters responded, and 18 (86%) were supportive).

Ideas for additional actions for the waste sector came from 280 submitters (14 from the waste sector), with the most common suggestions including:

- expansion of recycling services (149 submitters (53%))
- targeting and avoiding waste creation (65 submitters (23%), noting this was identified by 50% of the waste sector submitters)
- growing the circular economy (63 submitters (23%), noting this was identified by 50% of the waste sector submitters)
- changes to waste-related regulation/legislation (44 submitters (16%), noting this was identified by 64% of the waste sector submitters)
- expanding composting and anaerobic digestion services (37 submitters (13%)).

Barriers to reducing waste

Submitters were asked what they considered to be the main barriers to waste reduction by households, and in the sector. Barriers for households were identified by 72 submitters, who identified, in particular, a lack of knowledge or information, and a lack of social licence to take action. Overall, 52 submitters identified the main barriers to waste reduction on a sector level as regulation/legislation and costs. Submitters also noted other barriers, such as:

- no nationwide, cross-sector strategy and plan
- insufficient focus on avoiding waste creation
- lack of commitment to circular economy concepts
- lack of infrastructure to support food/organic waste management.

Children's submissions

One organisation collected, collated, and forwarded 153 submissions from children to the Ministry. The feedback and level of detail varied, and the most common points are captured in table 7 below.

Table 7: Main points from children's submissions

	Submitter count (out of 153)	% of 153
Get more people to drive EVs	52	34%
Less rubbish, less plastic, more recycling	50	33%
Protect animals, environment and water	36	24%
Have renewable electricity	24	16%
"Make polluters pay"	23	15%
Help workers who might lose jobs	17	11%
Plant native trees and protect trees	17	11%
Ban petrol cars	14	9%
Make buses electric	13	8%
Get more public transport	13	8%
Make biking easier and safer	9	6%
Have more trains	6	4%
Build community gardens or make farms better	6	4%
Protect future generations from climate change	6	4%
Eat less meat	6	4%
Have fewer factories	4	3%
Protect smaller countries from climate change	3	2%

Appendix 1: Table of discussion document questions

Share your views	
0.1	What do you think is working well in New Zealand to reduce our emissions and achieve the 2050 net zero target?
0.2	The Government is taking a 'net-based approach' that uses both emissions reductions and removals to reduce overall emissions in the atmosphere (rather than an approach that focuses only on reducing emissions at the source). A net-based approach is helpful for managing emissions in a cost-effective way that helps grow the economy and increase productivity in New Zealand. a. What do you see as the key advantages of taking a net-based approach? b. What do you see as the key challenges to taking a net-based approach?
0.3	The current proposed policies in the ERP2 discussion document cover the following sectors and areas: • strengthening the New Zealand Emissions Trading Scheme • private investment in climate change • energy sector • transport sector • agriculture sector • forestry and wood processing sector • non-forestry removals • waste sector. What, if any, other sectors or areas do you think have significant opportunities for cost-effective emissions reduction?
0.4	What Māori- and iwi-led action to reduce emissions could benefit from government support? There are additional questions about Māori- and iwi-led action to reduce emissions and impacts of proposed ERP2 policies on Māori and iwi in chapters 1 and 12.
Chapter 1	
1.1	What opportunities do the proposed initiatives and policies across the sectors offer for Māori- and iwi-led action to reduce emissions?
1.2	What additional opportunities do you think the Government should consider?
Chapter 2	
	Current modelling suggests that with a changed approach, the first emissions reduction plan is still sufficient to meet the first emissions budget.
2.1	What, if any, other impacts or consequences of the Government's approach to meeting the first emissions budget should the Government be aware of?

2.2	What, if any, are the long-term impacts from the changes to the first emissions reduction plan on meeting future emissions budgets that should be considered through the development of the second emissions reduction plan?
Chapter 3	
3.1	What else can the Government do to support NZ ETS market credibility and ensure the NZ ETS continues to help us to meet our targets and stay within budgets?
3.2	What are the potential risks of using the NZ ETS as a key tool to reduce emissions?
3.3	How can the Government manage these risks of using the NZ ETS as the key lever to reduce emissions?
3.4	Do you support or not support the Government's approach of looking at other ways to create incentives for carbon dioxide removals from forestry, in addition to using the NZ ETS?
3.5	Apart from the NZ ETS, what three other main incentives could the Government use to encourage removals through forestry?
3.6	Please provide any additional feedback on the Government's thinking about how to use the NZ ETS to reduce emissions.
Chapter 4	
4.1	Do current measures work well to unlock private investment in climate mitigation?
4.2	What are the three main barriers to enabling more private investment in climate mitigation?
4.3	What are the three main actions the Government can do to enable more private investment in climate mitigation for the next 18 months?
4.4	What are the three main things the Government can do to enable more private investment in climate mitigation in the longer term (beyond the next 18 months)?
4.5	Please provide any additional feedback on the Government's thinking about how to enable more private investment in climate mitigation for the next 18 months.
Chapter 5	
5.1	What three main barriers/challenges that are not addressed in this chapter do businesses face related to investing in renewable electricity supply (generation and network infrastructure)?
5.2	How much will the Government's approach to driving investment in renewable energy support businesses to switch their energy use during 2026–30 (the second emissions budget period)?
5.3	What three main barriers/challenges do businesses and households face related to electrifying or improving energy efficiency, in addition to those already covered in the discussion document?
5.4	How much will existing policies support private investment in low-emissions fuels and carbon-capture technologies?
5.5	What three main additional actions could the Government do to enable businesses to take up low-emissions fuels and carbon-capture technology?

5.6	If you are an electricity generator, please explain and/or provide evidence of how Electrify NZ could affect projects already planned or underway.
5.7	If you are an electricity generator, please explain and/or provide evidence of how Electrify NZ could increase the likelihood that new projects will be investigated.
5.8	Please provide any additional feedback on the Government's proposals to reduce emissions in the energy sector and the industrial processes and product use sector.
Chapter 6	
6.1	Do you support the proposed actions to enable EV charging infrastructure?
6.2	What are the three main actions the Government can do to reduce barriers to and enable the development of a more extensive public EV charging infrastructure in New Zealand (without adding too much cost for households and businesses)?
6.3	Do you support the Government's proposals to reduce emissions from heavy vehicles?
6.4	What are the three main actions the Government can do to make it easier to switch to low- and zero-emissions heavy vehicles (without adding too much cost for households and businesses)?
6.5	Do you support the Government proposals to reduce emissions from aviation and shipping?
6.6	What opportunities might there be from rolling out new technologies to reduce emissions from aviation and shipping?
6.7	What are the three main actions the Government can do to make it easier to reduce emissions from aviation and maritime fuels (without adding too much cost for households and businesses)?
6.8	Please provide any additional feedback on the Government's thinking about how to reduce emissions in the transport sector.
Chapter 7	
7.1	What are the three main barriers or challenges to farmer uptake of emissions reduction technology?
7.2	How can the Government better support farm- and/or industry-led action to reduce emissions?
7.3	How should Government prioritise support for the development of different mitigation tools and technologies across different parts of the agriculture sector?
7.4	What are three possible ways of encouraging farmer uptake of emissions reduction tools?
7.5	What are the key factors to consider when developing a fair and equitable pricing system?
7.6	Please provide any additional feedback on the Government's thinking about how to reduce emissions in the agriculture sector.

Chapter 8	
8.1	How could partnerships be structured between the Government and the private sector to plant trees on Crown land (land owned and managed by the Government)?
8.2	What are the three main actions the Government could do to streamline consents for wood processing?
8.3	How large should the role of wood in the built environment play in New Zealand's climate response?
8.4	What other opportunities are there to reduce net emissions from the forestry and wood processing sector?
8.5	Please provide any additional feedback on the Government's thinking about how to reduce emissions in the forestry and wood processing sector.
Chapter 9	
9.1	What are the three main opportunities for non-forestry removals to support emissions reduction?
9.2	What are three main barriers to developing more non-forestry removals?
9.3	It is important to balance landowners ability to use their land flexibly with the recognition of the role of non-forestry removals. How can this balance be achieved?
9.4	What three main benefits beyond emissions reductions could be created by developing more non-forestry removals?
9.5	What risks and trade-offs from incentivising land-use and management change to reduce net emissions need to be considered?
9.6	Please provide any additional feedback on the Government's thinking about how to reduce emissions through non-forestry removals.
Chapter 10	
10.1	Do you agree or disagree that the Government should further investigate improvements to organic waste disposal and landfill gas capture?
10.2	What is the main barrier to reducing emissions from waste (in households and businesses or across the waste sector)?
10.3	What is the main action the Government could take to support emissions reductions from waste (in households and businesses or across the waste sector)?
10.4	Please provide any additional feedback on the Government's thinking about how to reduce emissions in the waste sector.
Chapter 11	
11.1	What are the three main barriers to managing climate risks through emissions reduction policies in this discussion document?
11.2	What are the three main benefits of managing climate risks that can come from the emissions reductions policies in this discussion document?
11.3	What are some examples of how businesses and industries are already managing climate risks?

11.4	How can these kinds of activities be further supported?
11.5	Please provide any additional feedback on the pathway the Government has set out for managing climate risks from emissions reduction activities.
Chapter 12	
12.1	What are the main impacts of reducing emissions on employees, employers, regions, iwi and Māori, and/or wider communities that you believe should be addressed through Government support?
12.2	The Government can use a lot of existing tools to support people affected by reducing emissions (welfare and income support systems, employment and training services). Do you think additional climate-specific services, supports or programmes should be considered by the Government over the coming years? Please describe what additional climate-specific services, supports or programmes could be useful.