

Summary of New Zealand political party environmental/sustainability policies

Labour Party

The Labour Party supports using a range of policies to reduce emissions, as opposed to purely relying on the Emissions Trading Scheme (ETS).

Labour is concerned that focusing solely on increasing ETS unit prices would result in significant increases to the cost of living for consumers, would force key manufacturers to downscale, and would incentivise large scale exotic afforestation.

Labour has proposed a comprehensive set of policies focused on planning for future emissions reductions, increasing investment in green financing and climate research and development, bringing the agriculture sector into the ETS regime, supporting and prioritising renewable energy generation, reforming the ETS to prioritise gross emissions (and broadening sequestration categories), and decarbonising and strengthening New Zealand's transport and infrastructure systems. Labour is also keenly focused on delivering New Zealand's second emissions reduction plan, which will provide a roadmap integrating many of the initiatives set out above.

Specific policies:

- **Climate research and innovation:** Labour has proposed to make investments that drive the development and adoption of emissions reducing technologies. Specifically, Labour would invest a further \$300 million in NZ Green Investment Finance (taking its total capital investment to \$1 billion); \$50 million in refocusing New Zealand's research, science, and innovation system towards tackling difficult climate challenges; and \$20 million to establish 'mission-led, international-facing, climate innovation platforms' designed to identify and remove barriers to the testing and adoption of innovative climate technologies.
- **Climate transition:** Labour would appoint a new 'Minister for Just Transitions'. The new Minister would take an 'overarching lens across all cabinet decisions' to steward equitable climate action in all policy. Labour would also develop a 'Just Transitions Strategy', and continue to support the existing 'Just Transitions Unit' to work with communities on the management of the transition. Finally, Labour has proposed to develop a 'Centre of Excellence for Renewable Energy', to deliver training opportunities and career pipelines in the energy sector.

- Agriculture:** Labour has reconfirmed its decision to introduce mandatory reporting of on-farm emissions by 2024, and to implement an emissions pricing mechanism by 2025. Labour wishes to turn New Zealand into a 'centre of excellence for sustainable agriculture and agricultural technology'. In particular, Labour will work with businesses to grow the agritech sector to \$8 billion by 2030 (in line with the existing [Agritech Industry Transformation Plan](#)), including by injecting \$100 million into the Venture Capital Fund to invest in agritech businesses.
- Infrastructure:** In addition to Labour's renewable energy plan (summarised below), Labour would prioritise improvements to New Zealand's electricity transmission infrastructure, partner with the private sector to double electric vehicle charging hubs on highways, and implement a 'national electric vehicle charging strategy'. Labour is committed to progressing the rapid transit projects currently under development in Wellington and Christchurch, Auckland Light Rail, the North-western and Eastern Busways, and the Alternative Waitemata Harbour Crossing. Labour also plans to 'invest in the restoration of the national rail network' (including considering an inter-regional passenger rail between Auckland, Tauranga, and Wellington).
- Transport:** Labour has made a suite of commitments in respect of the public transport system, including continuing the decarbonisation of the public transport fleet, better integrating transport planning and land-use planning, introducing congestion charging, and increasing public transport workers' pay. Labour would continue a number of emissions focused transport initiatives, including continuing the Clean Car Standard and Clean Car Discount, and rolling out the Low Emissions Transport Fund. Labour proposes to reduce emissions in freight transport by implementing the 'New Zealand Rail Plan', supporting coastal shipping, and decarbonising heavy freight transport.
- Energy:** Labour has introduced a '12-point Plan to increase renewable energy in New Zealand'. At a high level, the Plan includes commitments to progress the development of New Zealand's Energy Strategy; implement a National Policy Statement for Renewable Electricity Generation and Electricity Transmission to enable a faster rollout of renewable electricity projects; accelerate the roll out of offshore renewable energy projects; attract external investment in New Zealand as a test-bed for renewable energy projects; position New Zealand as a key exporter of hydrogen; incentivise rooftop solar installation; support community-scale renewable energy projects; establish "All-Of-Government Power Purchase Agreements" to underwrite renewable energy generation; and continue to remove coal boilers in the state sector.
- ETS:** Labour believes the ETS must shift from a focus on net emissions to prioritising gross emissions. Labour would introduce separate ETS targets for gross emissions reductions; amend the Climate Change Response Act 2002 to provide the Climate Change Commission with 'more independence' in setting ETS volume and price controls; limit the amount of exotic carbon afforestation; and ensure a more diverse mix of sequestration is recognised under the ETS (see below). Labour has proposed to examine alternatives to the current industrial allocations settings through the second emissions reduction plan.
- Sequestration:** Labour would prioritise nature-based sequestration solutions in policy, planning design, and decision-making for carbon sequestration and climate change adaptation. Labour would seek to restore wetlands, coastal ecosystems, and native forests to sequester carbon, and would expand ETS removal categories to include peatland and wetland restoration. The party would explore the Recloaking Papatūānuku initiative, aiming to restore 2.1 million hectares of indigenous forest in the next 10 years, and ultimately 5.5 million hectares. Finally, Labour would examine the development of a Biodiversity Trading Market where landowners bid in on sequestration capacity that the Crown conducts a reverse auction for.

- **Climate adaptation:** Labour has proposed a range of initiatives to manage climate impacts, including developing and legislating a new Climate Adaptation Framework next term, continuing to invest the Climate Emergency Response Fund in climate adaptation initiatives, and implementing the National Adaptation Plan. Labour has also proposed to introduce a 'Climate Adaptation Bill', to set out a process for managed retreat from areas most susceptible to climate change.

National Party

Generally, National has stated it remains committed to New Zealand's climate change targets.

It frequently highlights that National signed the Paris climate agreement, voted for the Zero Carbon bill, and has supported emissions budgets. National has been [criticised](#) for a lack of clear climate policy this election.

National sees the existing Emissions Trading Scheme (**ETS**) framework as being the 'main tool to lower emissions' and has said it will make minor changes to the ETS to ensure it is functioning effectively. While it has confirmed that it would retain NZ Green Investment Finance, it has [proposed](#) to defund and close the Government Investment in Decarbonising Industry (GIDI), and instead used proceeds from ETS auctions to fund its tax cuts.

Outside of the ETS, National is focused on addressing what it considers are the 'key drivers' of emissions. Accordingly, National has targeted the energy and agriculture sectors with specific policies, on the basis that these industries are New Zealand's highest emitters. Those policies are designed to incentivise the transition to low emissions practices by private industry, as opposed to mandating it.

Specific policies:

- **Energy:** National has [proposed](#) an 'Electrify New Zealand' policy, which is intended to simplify and shorten the consenting process for key renewable energy infrastructure, in turn leading to lower emissions. Specifically, National would require decisions on resource consents for renewable power projects to be issued in one year, and would require the consents to last for a term of 35 years (which is the current maximum term). National would also remove the consenting process for upgrades to existing transmission/lines infrastructure, and for most new transmission/lines infrastructure. National [plans](#) to invest \$250 million over four years into electric vehicle chargers, and end the 'clean vehicle discount' scheme introduced by Labour. National would repeal the offshore ban on oil and gas exploration, and has promised to stop the controversial New Zealand Battery Project, which proposes to create hydro storage at Lake Onslow in Central Otago.
- **Agriculture:** National [recognises](#) that the agricultural sector makes up a significant portion of New Zealand's emissions profile, but believes the sector's emissions should be reduced by supporting green technology investment. National would lift the current 'ban' on genetic engineering and genetic modification technologies, which it believes will reduce emissions when incorporated into crops, feeds, and livestock. National agrees an agriculture emissions pricing scheme is necessary, but would push its introduction back to 2030 (compared to the 2025 deadline proposed by Labour). However, National would require farm-level emissions reporting by 2025. National also proposes to limit farm to forestry conversions.

- **Forestry:** National would seek to [support](#) further investment in forestry, and considers it a key component of New Zealand's economic recovery. National believes Labour's ETS policy decisions have reduced confidence in the sector. In response, National would 'commit to no major ETS reforms, including Labour's proposals to restrict how participants meet surrender obligations, introduce separate treatment for gross reductions and forestry, and [introduce] expiry dates on ETS units'. National would also seek to control the environmental impacts of forestry slash through increased penalties for non-compliance and an update to the National Environmental Standard for Plantation Forestry. National has indicated it will partner with the private sector to plant trees, including 'opportunities for native afforestation on Crown land'.
- **Environmental law reform:** National has promised that the Resource Management Act's (RMA) replacements, the Natural and Built Environment Act and Spatial Planning Act, will be "gone by Christmas 2023". It would commence its own reform programme to replace the RMA. National would also repeal recent national policy reform under the RMA related to freshwater protections, which have been unpopular with the farming sector.
- **ETS:** In addition to its plans for the agriculture sector, National would amend the Zero Carbon Act to 'make it clear that the stated aim of the Paris Agreement is for greenhouse gas reduction to occur in a manner that does not threaten food production', and would strengthen provisions that consider the level of action being taken by other countries and allow targets to be adjusted.
- **Construction:** National has proposed to 'encourage innovative building standards to reduce environmental impact and greenhouse gas emissions'.

ACT Party

Generally, ACT has been opposed to the manner in which New Zealand is seeking to achieve its climate commitments.

ACT opposed the Zero Carbon bill, and would ideally like to replace it with a simplified climate strategy focused on tying New Zealand's carbon caps to the emission prices set by New Zealand's top five trading partners. ACT has also said it would 'park the Nationally Determined Contribution' (i.e. New Zealand's obligations under the Paris Agreement).

ACT's climate policies favour market led approaches, and place greater weight on voluntary action and innovation by private individuals and organisations. ACT thinks it is unnecessary to introduce climate policies designed to reduce emissions in addition to the ETS framework. Accordingly, ACT thinks government should set a clear emissions cap under the ETS (pegged to action taken by New Zealand's trading partners), and then let the private sector innovate to reduce emissions within that cap. ACT has also proposed a suite of other policies designed to remove subsidies and regulations that it considers are inhibiting climate related innovation.

Specific policies:

- **Carbon pricing:** ACT has [proposed](#) tying New Zealand's emissions 'cap' (under the ETS) to the price of emissions set by New Zealand's top five trading partners. ACT thinks that forcing New Zealand to make 'deeper emissions cuts' than its trading partners will push economic activity to other countries.

- **Forestry:** ACT has [pledged](#) to remove all subsidies for commercial forestry investment. ACT considers the subsidy incentivises the conversion of farmland to forestry, and believes this is driving small farmers out of the market.
- **Waste reduction:** ACT has [proposed](#) to remove regulations which favour landfills over 'modern waste reduction technology' (e.g. waste incinerators or waste to energy conversion). ACT believes the European Union has modelled a successful waste reduction strategy by using 'modern waste reduction technology', which should be copied in New Zealand, but is currently prohibited under the Resource Management Act.
- **Environmental reporting:** ACT wishes to [strengthen](#) New Zealand's environmental reporting system at a local, regional and national level, to address apparent gaps in New Zealand's environmental data. ACT would amend the Environmental Reporting Act, establish a 'standing science advisory panel' to respond to long-term and emerging issues, and develop core environmental indicators to form a framework of future reporting.
- **Environmental law:** ACT would repeal the recently passed RMA replacement legislation, and commence a further reform programme to [replace](#) the Resource Management Act with new laws that would change how different risks to the environment are weighted when deciding to consent major projects. ACT believes the currenting project consenting framework inhibits the development of key infrastructure, because regulators are required to give too greater weight to 'margin risks' (e.g. low risk environmental concerns).
- **Energy:** ACT has [proposed](#) to immediately repeal the current ban on offshore exploration for oil and gas, which ACT considers is a preferable alternative to the importation of coal. ACT has also proposed to fast-track the establishment of a permit process to support offshore wind development, and would dump the Labour Party's proposed \$16 billion investment in a 'Lake Onslow water battery'. ACT would remove Te Mana o te Wai from the resource consenting process, which it alleges is inhibiting the approval and development of hydro schemes. Finally, ACT wishes to introduce a regulatory framework that supports Carbon Capture, Utilisation and Storage technology, and recognise it as a carbon-removal activity under the ETS.

Green Party

Compared to the other major parties, the Green Party's environmental/sustainability policies are more comprehensive, wide ranging, and accelerated.

The Green Party's key priorities include mandating a stricter and 'de-politicised' operation of the ETS, increasing investment in domestic and international climate change adaptation, prioritising renewable energy (and placing strong prohibitions on non-renewable energy), supporting indigenous forestry and preventing overreliance on carbon forests, promoting green urban development and national transport, and strengthening labour protections to ensure an equitable transition to a low-emissions economy. The Green Party also seeks to protect and prioritise Māori interests in all of their policies (where relevant), and strongly advocates for adherence to the principles of Te Tiriti.

Specific policies:

- **Emissions reduction:** The Green Party has proposed a suite of aggressive actions to reduce emissions, including establishing a standalone Ministry of Climate change, empowering the Climate Change Commission to set the unit supply limits under the ETS in line with emissions budgets, mandating a requirement that government decisions are consistent with the Paris Agreement commitments, introducing a price on agricultural emissions, and recognising a wider range of carbon sequestration methods when awarding credits under the ETS ([page 4](#)). It would also reset climate efforts to focus on gross rather than net emissions reductions.
- **Resilience and adaptation:** The Green Party wishes to accelerate climate change adaptation. Top line measures include the introduction of a dedicated 'Climate Change Adaptation Bill', establishment of a dedicated fund for climate adaptation measures, and scaling up support for countries in the Pacific ([page 5](#)).
- **Energy:** The Green Party wishes to prioritise renewable energy by placing direct prohibitions on some non-renewable energy production methods, and making legislative changes that support the growth of renewable energy development. Among other changes, Green would prohibit new extraction of fossil fuels, support 'community energy solutions' (e.g. local energy markets), fundamentally reform the electricity market to give renewable energy suppliers and distributors greater certainty, and invest dividends from state owned energy providers back into renewable energy ([page 13](#)).
- **Environmental protection:** The Green Party wishes to strengthen environmental reporting obligations, and increase enforcement of environmental harms caused by 'polluters'. Among other changes, the Greens would repeal and replace the Environmental Reporting Act to provide a more comprehensive and rigorous environmental data reporting regime, and improve monitoring of environmental harms by polluters coupled with a stricter enforcement strategy ([page 14](#)).
- **Forestry:** The Green Party wishes to increase the protection of indigenous forestry and prevent an overreliance on carbon forestry. The Party's major proposals include introducing dedicated funding programmes to establish indigenous forests, amend the ETS to prevent an overreliance on forestry offsets and incentivise indigenous biodiversity for carbon sequestration, place controls on plantation forestry, and ban the import of products from illegally logged forestry land overseas ([page 16](#)).
- **Green jobs and sustainable economy:** The Green Party wants to ensure the transition to a low carbon economy remains equitable by supporting lower income communities through the transition, and managing the impact of industry disruption. Green also wishes to facilitate a 'green economy', where New Zealand's economic output comes from sustainable and environmentally friendly sectors, services and products. At a high level, Green would strengthen labour market measures to support retraining of workers, support training for 'clean energy careers', increase government investment in various funds to finance low emissions projects, support low-emission industries with export potential, and commit government departments to buying more goods and services from New Zealand businesses ([pages 25](#) and [35](#)).
- **Urban development and transport:** The Green Party seeks to introduce a range of incentives for green development, with the ultimate goal of creating walkable cities with urban green space, active transport corridors, water-sensitive design, and green infrastructure. The Party also proposes to invest in light rail in key cities, and develop a nationwide rapid rail for passengers and freight to connect regions and major cities ([pages 38](#) and [39](#)).