

22 August 2019

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To whom it may concern,

Thank you for providing us with the opportunity to respond to the Ministry of Transport's paper titled *"Moving the light vehicle fleet to low-emissions: Discussion paper on a Clean Car Standard and Clean Car Discount."*

New Zealand Government Procurement and Property (NZGPP), a business unit within the Ministry of Business, Innovation and Employment, supports the policies to reduce emissions in the transport sector contained in this discussion paper.

NZGPP, as the procurement functional leader and contract manager for the All-of-Government (AoG) Motor Vehicles contract, contributes to the cross-government work to encourage government agencies to reduce their vehicle emissions profiles.

In October 2018 ministers set an expectation that the government vehicle fleet will become emissions free by 2025/26 and strengthened this expectation under the updated Government Procurement Rules which were released in July. Agencies are now required to purchase low emissions vehicles (but not necessarily electric vehicles (EVs)) under the AoG Motor Vehicles contract.

We envisage that the proposed Clean Car Standard and Clean Car Discount policies will support the Government's target of transitioning to a low emissions economy, by addressing two of the current barriers to the adoption of low emission vehicles, namely availability and cost.

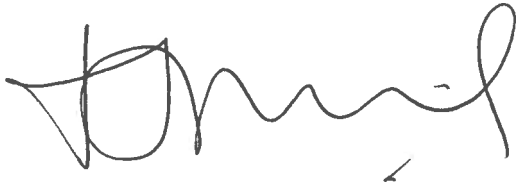
Incentivising manufacturers and distributors to import more efficient vehicles will increase the choice of low emission vehicles available for prospective purchasers, increase competition in the market, and increase overall availability of low emission vehicles in general. We note that the limits on carbon dioxide emissions proposed in the Clean Car Standard are similar to standards already in place in other markets.

Similarly, implementing a feebate scheme goes some way to addressing the cost disparity of low emission vehicles. Such a scheme could also increase the demand for low emission vehicles, encouraging suppliers to favour importing lower emission vehicles over high emitters.

There is an increasing need to combat climate change, and the reduction of emissions in New Zealand is a vitally important step. The Clean Car Standard and Clean Car Discount will be key drivers for this. We look forward to supporting these policies should they be approved, and implementing them through the AoG Motor Vehicles contract across government fleets.

Thank you again for providing NZGPP with the opportunity to respond and provide feedback.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Ivil', with a stylized, cursive script.

John Ivil
General Manager
New Zealand Government Procurement and Property
Ministry of Business, Innovation and Employment