



Hon Simon Watts Minister of Climate Change

30 May 2024

Budget supports practical climate action

Responsible and effective climate related initiatives that support New Zealand to reduce emissions, and adapt to the future effects of climate change are a priority, Climate Change Minister Simon Watts says.

“Our Government is committed to meeting emission reduction targets, including the overall goal of carbon net-zero by 2050, while continuing to prepare New Zealand for the more frequent severe weather events that climate change will bring.

“Budget 2024 makes new investments in support of these goals, including funding specific climate resilience projects like stop banks and floodwalls through the Regional Infrastructure Fund, a \$200 million boost for the Rail Network Improvement Programme, and extending the reach of the Waste Disposal Levy to support a wider range of waste related and environmental activities.

“The Budget also confirms our decision to discontinue the practice of ring-fencing revenue raised through the Emissions Trading Scheme (ETS) in a ‘Climate Emergency Response Fund’. Instead, future investment proposals for emission-reduction or climate-adaptation will be considered through the usual Budget process.”

“The Government can also confirm that around \$2.6 billion of high-value climate change initiatives previously funded from the CERF will continue. These include:

- a public network of electric vehicle charging infrastructure
- a grant scheme for clean heavy vehicles
- a fund for decarbonising the public transport fleet, supporting local authorities to purchase electric busses
- public transport concessions for community service card holders
- development of an on-farm emission measurement scheme
- supporting New Zealand’s International Climate Finance Commitment
- the Warmer Kiwi Homes programme

“New Zealand remains on track to meet our emissions reduction goals in Emission Reduction Plan period one and the Government will soon be consulting on the second Emissions Plan, for the period 2026-2030. This will form the basis of the Government’s plan to reduce New Zealand’s emissions in line with our targets.

“The ETS is a critical tool to helping us achieve our targets and will be front in centre in our emissions reduction plans.

“Budget 2024 provides the foundation for us to reduce our emissions and increase our resilience, while ensuring that our response is providing value to hardworking Kiwis,” Simon Watts says.

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