

The Treasury

Budget 2024 Information Release

September 2024

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- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
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- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [27] 9(2)(ba)(ii) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment;
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment

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Annex 3: CERF Initiatives Update				Total remaining over 2023/24 - 26/27 following savings already made		B24 Savings already submitted	Uncommitted and uncontracted spend		
ID #	Vote	Title	Original Initiative Description at Budgets 2022 or 2023	Total Operating (\$m)	Capital (\$m)	Total Budget 2024 Savings Submitted by agency	Treasury comment	Uncommitted and uncontracted spend (after savings) (\$m, operating and capital)	Recommendation
14058	Agriculture, Biosecurity, Fisheries and Food Safety	Agriculture Emissions Reduction – Accelerating Development of Greenhouse Gas Mitigations	This initiative will accelerate development and uptake of high impact agricultural mitigation technologies. Funding will accelerate research, grow capability, expand greenhouse gas measurement capacity, streamline the path to market, and deliver demonstration programs to ensure there are fit for purpose tools for use on farm. Expanding international collaborations and our cleantech sector through innovation prizes will further raise both our international standing and contribution to reducing global agricultural emissions. Funding will also support matauranga-based approaches to reduce agricultural emissions, providing further options for Māori and non-Māori landowners to improve sustainability.	403.0	-	-	[33] While we do not have detailed visibility over contracted spend, we understand that of the funding baselined, up to ~\$19 million to ~\$22 million per annum is committed to the New Zealand Agricultural Greenhouse Gas Research Centre, ~\$15 million per annum to participation in Global Research Alliance, and up to ~\$50 million per annum for the AgriZeroNZ joint venture with industry. [33]	Not provided	[33]
14927	Agriculture, Biosecurity, Fisheries and Food Safety	Agriculture Emissions Reduction – Developing the Agricultural Emissions Pricing System	This initiative provides funding to continue the development of the Government’s recommended agricultural greenhouse gas emissions pricing system.	12.2	-	-	[33]	8.000	[33]
14059	Agriculture, Biosecurity, Fisheries and Food Safety	Agriculture Emissions Reduction – Supporting Producers and Māori Entities Transition to a Low Emissions Future	This initiative ensures farmers, growers and whenua Māori entities can access support and have the confidence to move to low emissions farm systems. Building on the He Waka Eke Noa partnership, it funds access to credible information and communications to help shift practices. It will increase on-the-ground and on-farm activities aimed at helping producers change farm practices and adopt new technologies, including through local producer groups focused on reducing emissions. It funds tikanga-based programmes to develop and support long-term low emissions profiles for whenua Māori.	20.9	0.3	37.0	Savings for this initiative are being considered through the initial baseline and targeted savings processes. No further savings available as the proposed Budget 2024 saving and previous savings returns all funding.	-	Note that there is no uncommitted funding available after savings
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-	Business, Science and Innovation	Enhancing Energy Resilience for New Zealand Communities through Distributed Renewable Energy	This initiative provides funding for community-based renewable energy and energy resilience projects, including grants for project development costs and fund implementation costs. It includes funding for Community Renewable Energy Programme, and the deployment of small scale distributed renewable energy and demand response systems.	50.2	-	21.0	The initiatives 'Enhancing Energy Resilience for New Zealand Communities through Distributed Renewable Energy' and 'Supporting Renewable and Affordable Energy in New Zealand Communities' established and then extended a fund for community-based renewable energy and energy resilience projects. Treasury suggests that this fund [33] or scaled back to Budget 2022 funding levels of \$16 million total, which would yield savings of \$18.628. While spending to date has been low, we do acknowledge the fund is likely to have a range of benefits eventually. Ministers may wish to consider how this fits with their overall energy strategy, which is still to be confirmed.	[33]	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
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14540	Business, Science and Innovation	Decarbonising Freight Transport – Resourcing and Seed Funding	This initiative provides funding for activities that support decarbonising the freight and supply chain sector. This includes funding for business cases and research programmes, capability and capacity, and contestable funding for low emission freight solutions.	15.8	-	-	Savings for this initiative are being considered through the initial baseline and targeted savings processes. Initiative 15664 proposes to close this programme.	-	Note that there is no uncommitted funding available after savings

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13952	Business, Science and Innovation	Developing a Circular Economy and Bioeconomy Strategy	This initiative supports the development of a circular economy and bioeconomy strategy to reduce emissions. The funding supports cross-agency development of the strategy, research into the ability of the bioeconomy to meet biofuel demand, resource flow maps, and a baseline of New Zealand's current level of circularity.	2.3	-	0.3	The substantive contracts associated with this initiative either have been completed, or (in the case of one final contract) will be completed by April 15 2024. All other funding was previously returned. Therefore there is no opportunity for further savings.	-	Note that there is no uncommitted funding available after savings
-	Business, Science and Innovation	Equitable Transitions Package – Regional Hydrogen Industry Transition	This initiative provides funding, held in contingency, for a hydrogen consumption rebate to accelerate the early adoption of green hydrogen in transport and industry. It will help to decarbonise hard to abate sectors, diversify the economy of Just Transition regions, and displace fossil fuels.	6.9	-	-	We recommend that the RHITTC is closed. All of the funding previously drawn down and not spent to date is proposed to be returned through baseline savings exercise. The associated tagged contingency is captured in the review of tagged contingencies.	-	Note that there is no uncommitted funding available after savings
138087	Business, Science and Innovation	Supporting Renewable and Affordable Energy in New Zealand Communities	This initiative funds delivery of community-based renewable energy projects, including grants for the development costs of projects, and fund implementation costs. Funded projects will be innovation pilots to support New Zealand's energy transition. Projects will enable access to secure, renewable and more affordable energy, with a focus on low-income communities and/or insecure access to energy. Funding will cover renewable energy generation options (eg, solar, geothermal), and means of optimising energy use (eg, energy storage and demand management). Funding will also support efficiency measures, education and capacity building.	15.4	-	-	This initiative is linked to 'Enhancing Energy Resilience for New Zealand Communities through Distributed Renewable Energy' above, and we have captured relevant savings there.	-	See initiative 'Enhancing Energy Resilience for New Zealand Communities through Distributed Renewable Energy' above.
14832	Business, Science and Innovation	Emissions Trading Scheme – Market Governance	This initiative provides funding, held in contingency, for market governance regulation to increase the integrity of the New Zealand Emissions Trading Scheme and reduce the risk of misconduct.	3.5	-	-	There are no contracts or other commitments related to this contingency (e.g. staff). The funding is not a high ministerial priority within MBIE. It does relate to work which is higher priority for other Ministries and departments (i.e. MFE as lead agency for the initiative) but not MBIE.	3.492	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14064	Business, Science and Innovation	Equitable Transitions Programme	This initiative will fund a programme to co-design an Equitable Transition Strategy in partnership with iwi/Māori and other stakeholders, as a key initiative in the Emissions Reduction Plan and responding to the Climate Change Commission's advice. The Strategy will seek to better understand and respond to the distributional impacts that emerge as a result of the transition to a low emissions economy. By working in partnership with identified affected groups we can determine measures to manage challenges and seize opportunities in the transition.	10.1	-	-	The Ministers responsible for oversight of the Equitable Transitions Strategy (Economic Development and Social Development) have agreed to stop work on the Strategy. Accordingly, MBIE has budgeted for the majority of remaining funding for delivery of the Strategy to be returned as part of the savings process. The exception is funding for research to model the economic impact of climate change on regional economies, which the Minister for Economic Development has agreed to continue and is contracted to Crown Research Institutes. Choosing to cancel this project would result in further savings of \$983,500 in the 2024/25 year.	0.984	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
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-	Business, Science and Innovation	Electric Vehicle Charging Infrastructure	This initiative provides funding to support provision of electric vehicle charging infrastructure, to encourage continued rapid uptake and ensure that a lack of chargers is no longer seen as a barrier to electric vehicle adoption. It includes funding for immediate outputs, including for electric vehicle journey charging hubs and chargers to connect communities; funding to improve government delivery of the Electric Vehicle Charging Strategy; and funding for further research to inform future investment.	99.4	-	-	This funding is committed and aligned with Government's commitment around EV charging infrastructure.	-	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14628	Business, Science and Innovation	Establishing a Renewable Electricity System on New Zealand Domestic Islands	This initiative provides funding to install a renewable electricity system on Chatham Island and to undertake discussions with Stewart Island residents on an appropriate renewable electricity option. It will support the decarbonisation of these communities and the transition to a climate-resilient, sustainable and low-emissions economy	10.7	-	-	Contracts in place to deliver initiative.	-	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.

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-	Business, Science and Innovation	Extending the Warmer Kiwi Homes programme	This initiative will deliver more insulation and heating retrofits for low-income homeowners by extending the Warmer Kiwi Homes programme following on from funding already allocated. Delivery of more retrofits will improve educational opportunities and productivity by reducing time off school and work due to illness and improve the housing stock by making it warmer and drier. It will support jobs in the energy service sector and improve environmental outcomes by reducing marginal electricity consumption at times of peak demand.	73.1	-	-	Some savings are already being proposed from Warmer Kiwi Homes. Ministers have signalled they would like to retain the core heating/insulation component.	-	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
13814	Business, Science and Innovation	Funding Further Decarbonisation of Process Heat and Implementation of Supporting Policies	This initiative increases funding to reduce emissions from industry and process heat and resource the implementation of new regulatory measures. With this funding, businesses will improve energy productivity, bring forward fuel-switching projects, and reduce exposure to carbon price risk. It increases the Government Investment in Decarbonising Industry Fund, provides support to small and medium enterprises, provides rebates for renewable and efficient equipment, and resources the implementation of an energy and emissions reporting scheme and national direction on industrial emissions.	360.7	0.6	-	This initiative covered funding for the Government Investment in Decarbonising Industry Fund (GIDI) and a range of more minor initiatives, like the Energy and Emissions Reporting Scheme. Remaining funding for GIDI relates to projects where funding is contractually committed. Savings from EERS are being considered through the initial baseline exercise (initiative 15655).	-	Note that there is no uncommitted funding available after savings
-	Business, Science and Innovation	Warmer Kiwi Homes Programme – Extension and Expansion	This initiative provides funding for the extension and expansion of the Warmer Kiwi Homes programme. Funding for expansion include grants for energy efficient hot water appliances and lighting, a community focused outreach approach to target hard-to-reach households, and basic home repairs. This initiative will reduce household electricity consumption, reduce emissions, and help with the cost of living through lower energy bills.	402.6	-	178.5	Some savings are already being proposed from Warmer Kiwi Homes. Ministers have signalled they would like to retain the core heating/insulation component.	-	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14559	Conservation	Maximising Carbon Storage: Increasing Natural Sequestration to Achieve New Zealand's Future Carbon Goals	This initiative will fund research to link forest carbon storage to management actions; enable changes to ETS look-up tables to more accurately reflect carbon stock changes and incentivise improved management for new and existing forests and quantify the carbon impact of management in non-forest land use, soil, and coastal ecosystems; and stimulate investment in wood processing to maximise carbon stored in wood products. Together these initiatives will directly contribute to reductions in the first three emission budgets by more than 9.3 million tonnes over 2022-2035.	3.2	-	-	Initiative could be aligned with government's goals. Of the total remaining appropriation of \$2,044,000, 89% (\$1,812,742) is committed via contracts and for a permanent staff member. This leaves just over \$230,000 remaining uncommitted. We do not recommend returning this funding, as it has been tagged for IT systems support, field equipment, project manager costs and travel costs to deliver the initiative.	0.230	Note the Treasury does not recommend further savings. Agree not to proceed with further savings at this time: Yes / No
15366	Environment	Agricultural Emissions Reduction – Developing the Agricultural Emissions Pricing System	This initiative provides funding to continue the development of the Government's recommended agricultural greenhouse gas emissions pricing system.	2.9	-	-	Funding was provided for this initiative for 2023/24 only.	-	Note that there is no uncommitted funding available after savings
14030 and 14554	Environment	Māori Climate Action	This initiative provides funding to establish a platform to strengthen the Crown/Māori partnership and support a holistic approach to climate change that supports an equitable transition for Māori. The platform will include mechanisms to ensure diverse Māori participation in climate policy and climate action, support development of a Māori climate strategy, and activate kaupapa Māori, tangata Māori solutions for the climate emergency. A pilot approach to activating kaupapa Māori, tangata Māori solutions will be piloted in year one, with further funding held in contingency subject to Ministers' agreement on the more enduring form of the Māori Climate Partnership and Representation platform.	54.77*	-	21.294*	\$21.294m is already proposed as savings. Of the remaining funding, \$16.167m is already contracted. This leaves \$17.309m uncontracted funding remaining over the forecast period. MfE provided a range of savings options to the Minister of Climate Change for this initiative. The Minister was concerned about Treaty and reputational risks of larger savings options. Further savings would be possible, but may require discussion of these risks with the Minister.	17.309	Note the Treasury does not recommend for further savings, in line with the Minister for Climate Change's preferred approach. Agree not to proceed with further savings at this time: Yes / No
14248	Environment	Reducing Emissions from Waste	This initiative seeks to implement a suite of proposals to reduce emissions in line with the target reduction pathway in the Emissions Reduction Plan. This initiative will reduce and divert organic waste from landfill and enable emissions to be reduced through delivering: • resource recovery feasibility studies, business cases, infrastructure and other assets • behaviour change programmes to reduce emissions from waste, and • a national waste data programme including landfill gas capture research.	66.943*	-	16.700*	Of the total funding remaining in baselines for this initiative (\$66.943 million over the forecast period), \$46.900 million is already proposed as savings (assuming MfE's preferred targeted savings option for the waste levy). Of the remaining funding, \$56.877 million is contracted. This leaves \$10.066 million in uncontracted funding remaining over the forecast period. We understand some of this is committed to projects. We recommend that further savings could be considered but this will need to be reconciled with the findings of the Independent Rapid Review.	10.066	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14785	Environment	Climate Data Infrastructure	This initiative provides funding, held in contingency, to develop climate data infrastructure with a range of climate data tools. These tools will support decision makers to implement targeted climate mitigation and adaptation policies, and improve New Zealand's climate progress reporting.	30.875*	-	5.800*	\$5.8 million is already proposed as savings. Of the remaining \$25.075 million, \$5.614 million is already contracted. This leaves \$19.461 million uncontracted funding remaining over the forecast period, suggesting further savings would be possible. MfE has indicated that further reduction would limit the ability of this initiative to deliver on improvements in climate data. Given this funding relates to MfE's departmental capability we suggest considering in light of advice from the Independent Rapid Review.	19.461	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.

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14051	Environment	Delivering New Zealand's International Climate Change Target Through Offshore Mitigation	This initiative provides funding to develop options for offshore emissions mitigation needed to meet New Zealand's international climate change target. It includes work to scope, identify and develop some initial sources of offshore mitigation including options in the Asia-Pacific region that support sustainable development, and negotiate and implement links between the NZ ETS and international ETS's.	11.950*	-	0.924*	\$0.924 million is already proposed as savings. Of the remaining funding, \$10.413 million is already contracted. This leaves \$0.613 million uncontracted funding remaining over the forecast period. [33] Given this funding relates to MFE's departmental capability, we suggest further savings are considered in light of advice from the Independent Rapid Review.	0.613	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14286	Environment	Emissions Reduction Plan Performance Monitoring	This initiative provides funding for a suite of monitoring and accountability mechanisms to help to keep delivery of the Emissions Reduction Plan on track.	20.660*	-	1.395*	\$1.395 million is already proposed as savings. Of the remaining funding, \$17.209 million is contracted. This leaves \$2.056 million uncontracted funding remaining over the forecast period. The funding is used to support a number of cross-government governance boards and groups (including the Climate Priorities Ministerial Group and Climate Change Chief Executives Board), regular monitoring and reporting across public sector agencies on progress delivering the Government's climate change priorities and progress towards meeting NZ's climate targets, as well as collective governance and advice on climate change priorities including emissions budgets, the ERP, and the NAP. Given this funding relates to MFE's departmental capability, we suggest considering in light of advice from the Independent Rapid Review.	2.056	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14832	Environment	Emissions Trading Scheme – Market Governance	This initiative provides funding, held in contingency, for market governance regulation to increase the integrity of the New Zealand Emissions Trading Scheme and reduce the risk of misconduct.	5.053*	-	-	MFE has indicated that improving the performance of the Emissions Trading Scheme has been signalled as a priority of the Government. Of the total funding remaining in baselines for this initiative over the forecast period (\$5.053 million), \$2.041 million is already contracted. This leaves \$3.012 million uncontracted funding remaining over the forecast period. Given this funding relates to MFE's departmental capability, we suggest considering in light of the Independent Rapid Review	3.012	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14055	Environment	Enabling a Scaled-up, High Quality Voluntary Carbon Market	This initiative will fund a government-supported framework and approval scheme for a voluntary carbon market to serve the Carbon Neutral Government Programme and businesses. This includes developing rules and standards to ensure the credibility of offsets. This will enable the design of a framework that will cover standards for offsets, including what kind of projects will be permissible in the short and long term. It will facilitate work with existing providers, scoping for an accreditation process and a register of projects to account for offsets so that providers and buyers can trade amongst themselves.	4.070*	-	0.520*	\$0.520 million is already proposed as savings. Of the remaining \$3.550 million, \$2.594 million is contracted. This leaves \$0.956 million uncontracted funding remaining over the forecast period. Given this funding relates to MFE's departmental capability, we suggest considering in light of advice from the Independent Rapid Review	0.956	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14558	Environment	Maximising Carbon Storage: Increasing Natural Sequestration to Achieve New Zealand's Future Carbon Goals	This initiative will fund research to link forest carbon storage to management actions; enable changes to ETS look-up tables to more accurately reflect carbon stock changes and incentivise improved management for new and existing forests and quantify the carbon impact of management in non-forest land use, soil, and coastal ecosystems; and stimulate investment in wood processing to maximise carbon stored in wood products. Together these initiatives will directly contribute to reductions in the first three emission budgets by more than 9.3 million tonnes over 2022-2035.	11.658*	-	-	There is \$11.658 million remaining in baselines over the forecast period. Of the remaining funding, \$3.369 million is already contracted. This leaves \$8.289 million uncontracted funding remaining. Initiative is potentially aligned with government goals. Work to recognise other forms of carbon sequestration and enabling farmers and landowners to offset sequestration against their on-farm emissions is part of the Government's coalition agreements. This suite of initiatives will provide the evidence base for developing new opportunities to incentivise sequestration across the land sector. The MFE component of funding for this initiative includes improving understanding of land management activities and their impact on greenhouse gas emissions from organic and mineral soils, non-forest land uses.	8.289	Note that the Independent Rapid Review, due 3 April 2024, is considering CERF savings opportunities.
14537	Finance	Emissions Reduction Plan Performance Monitoring	This initiative provides funding for a suite of monitoring and accountability mechanisms to help to keep delivery of the Emissions Reduction Plan on track.	5.3	-	-	This funding sits within Treasury's broader policy advice appropriation, which is the single source of the Treasury meeting its savings target (which is now greater than the original 6.5% following late savings process from Minister Seymour). To the extent that this area will likely be de-prioritised to align Treasury outputs with the Coalition Governments priorities, then we would expect this function to be discontinued at the earliest opportunity. There is a risk that making further reductions through this process risks double counting the available savings.	4.502	Note the Treasury does not recommend further savings, as funding has all been committed. Agree not to proceed with further savings at this time: Yes / No
-	Finance	New Zealand Green Investment Finance – Additional Capital to Mobilise Private Green Investment	This initiative provides funding for New Zealand Green Investment Finance Limited, to help mobilise green investment and support the development of New Zealand capital markets.	-	100.0	-	[33] and [25]		

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-	Foreign Affairs	Aotearoa New Zealand's International Climate Finance Commitment 2022-2025	This initiative provided additional funding for New Zealand's contribution to providing climate finance to developing nations under the Paris Agreement. This commitment is separate to New Zealand's commitments to reduce its own emissions (including through potential offshore mitigation) under the Paris Agreement.	685.9	-	-	This funding is for New Zealand's commitment under the Paris Agreement to contribute to climate finance for developing nations. Some funding is yet to be contractually committed to specific projects, so savings may be possible, but would carry reputational risks as NZ has a headline commitment of \$1.3billion. [1]	-	Note the Treasury does not recommend further savings, as funding has all been committed. Agree not to proceed with further savings at this time: Yes / No
[33]									
14061	Forestry	Establishing Native Forests at Scale to Develop Long-Term Carbon Sinks and Improve Biodiversity	This initiative removes barriers for native afforestation: increases propagation capacity, using automated technology to scale up native seedling production and reduce costs; facilitates innovation in seed collection, propagation and forest establishment including restoration, through focused research; and develops a long-term national strategy and action plan to grow native forests in partnership with rural landowners, iwi/Māori, foresters, communities and the private sector.	39.1	-	10.4	Some savings are proposed from this initiative. Overall objective may be aligned with government's goal to investigate native afforestation further. We do not have visibility over contracted or uncontracted funding.	[33]	
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14057	Forestry	Increasing Woody Biomass Supply to Replace Coal and other Carbon Intensive Fuels and Materials	This initiative will increase biomass supply and stimulate private sector investment to alleviate projected shortages, through Crown planting 10,000ha of short rotation energy forest, and targeted research and development. The initiative will help transform forestry and wood processing to a high-value, high wage sector.	28.5	23.4	8.0	Some savings are being considered through the baseline savings processes. No further savings recommended as remaining funding is contractually committed with landowners/partners (incl. Iwi) for delivery of 5,000 ha of short rotation bioenergy forest.	-	Note that there is no additional uncommitted funding available after savings
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14633	Māori Development	Hapori Māori – Increasing Community Resilience through Data Capability and Access	This initiative provides funding to add climate data to the co-governed Te Puni Kōkiri data platform, Mahi Tahī, and increase accessibility of Waiora datasets for hapori Māori and wider government. Funding will support additional staff to deliver build requirements, support data capability and provide research and evaluation services.	19.9	-	22.8	All funding being put forward through baseline savings process. No further savings available as the proposed Budget 2024 saving returns all funding.	-	Note that there is no additional uncommitted funding available after savings
-	Revenue	Agricultural Emissions Reduction – Developing the Agricultural Emissions Pricing System	This initiative provides funding to continue the development of the Government's recommended agricultural greenhouse gas emissions pricing system.	0.3	-		Consultation with the IRD indicates that they expect this funding will be returned as an underspend. This funding was appropriated to implement an agricultural emissions pricing system. We recommend that this funding should be treated in line with broader decisions on agricultural emissions pricing funding.	0.300	Note that any uncommitted funding is being returned as an underspend at the end of 2023/24

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13837	Social Development	Public Transport Concessions for Community Services Cardholders	This initiative provides funding to implement and operate a 50 percent concession on public transport for Community Services Cardholders to improve transport affordability and support an equitable transition to a low emissions economy	3.7	-	-	Some funding can likely be returned due to lower demand than anticipated (\$2.6 million over the forecast period). Otherwise, funding should not be returned unless the public transport concessions associated with initiative 'Public Transport Concessions for Community Services Cardholders', above, ends. If so, there would be a small 'shutting down' cost, but otherwise, the funding is not committed.	2.600	Note that underspends are to be returned at the end of 2023/24, otherwise treat consistently with 'Public Transport Concessions for Community Services Cardholders'
14823	Transport	Community Connect Programme – Free Fares for Children and Half-Price Fares for Under 25-Year-Olds and Total Mobility Passengers	This initiative provides funding to expand the existing Community Connect programme to provide permanent free public transport for children aged 5 to 12, half-price public transport fares for 13- to 24-year-olds, and half-price fares for Total Mobility Scheme passengers. Total Mobility is a bespoke transport service available to those unable to use public transport due to an impairment.	1.0	-	6.8	Funding for reduced fares for under-25s was returned as part of the Mini Budget (\$198 million in savings). Making savings from the remaining Total Mobility funding (around \$5 million in 2023/24, and \$12 per annum ongoing) would require a policy change and could affect obligations under the United Nations Convention on the Rights of Persons with Disabilities.	41.000	Note the Treasury does not recommend further savings. Agree not to proceed with further savings at this time: Yes / No
13827	Transport	Mode-Shift and Reducing Light Vehicle Kilometres Travelled	This initiative provides funding for activities, infrastructure and services that reduce reliance on cars and supports the uptake of active and shared modes. It commits funding to four indicative investment areas including the rapid roll out of urban cycle networks, creation of walkable neighbourhoods, support for safer, greener, and healthier school travel, and provisions for more reliable and user-friendly public transport. It also provides funding for Waka Kotahi NZ Transport Agency and third parties to develop urban Vehicle Kilometres Travelled reduction plans and programmes that identify activities required to achieve mode-shift and reduce Vehicle Kilometres Travelled.	306.6	-	-	Of the \$305 million in approved funding for this initiative, \$164.5m has been spent or committed (via signed funding agreements), leaving \$140.5m in uncommitted funds. Once you include underspends associated with the programme, this equates to \$149.9 million. The fiscal plan assumes that \$90 million of this funding will be used to fund the 'Supercharging EVs' policy, so Ministers agreed at the Transport bilateral that this funding will return to the centre in Budget 2024 (see initiative 16005), and then will be funded in Budget 2025. Ministers also agreed that the remaining \$59.9 million should be returned as savings to offset Transport cost pressures in the Budget 2024 package.	149.900	Note that it was agreed at Transport bilateral meeting that the remaining \$149.9 million be returned via Budget 2024; \$90 million would fund Supercharging EVs in Budget 2025, and \$59.9 million would be used as reprioritisation for Transport cost pressures in the package
13837	Transport	Public Transport Concessions for Community Services Cardholders	This initiative provides funding to implement and operate a 50 percent concession on public transport for Community Services Cardholders to improve transport affordability and support an equitable transition to a low emissions economy	76.9	-	-	The Minister of Transport has publicly stated his commitment to the half price fares for Community Service Card Holders. It would be possible to end or explore scaled options of the subsidy (i.e. lower percentages) but as this a targeted scheme, this would increase the share of spending on transport for low-income households. Changing or removing the Community Service Card concessions would also require a minimum of 90 days notice to Public Transport Authorities, and may attract requests for disestablishment costs (changing backend systems, issuing/reissuing electronic ticketing cards and passes, etc).	-	Note the Treasury does not recommend further savings, as funding has all been committed. Agree not to proceed with further savings at this time: Yes / No
15306	Transport	Clean Car Discount – Increased Crown Grant	This initiative provides funding to sustainably manage high uptake of the Clean Car Discount over 2022/23. Funding will replenish the scheme's cash reserves, as uptake of the scheme has exceeded government and industry expectations.	120.0	-	-	The remaining funding is for programme wind down and any unspent funding will be returned at the end of the financial year.	-	Note that there is no additional uncommitted funding available after savings
[33]									
-	Transport	Public Transport – Workforce Sustainability and Skill Improvements Tranches 2	This initiative provides funding to support Public Transport Authorities to implement measures aimed at increasing recruitment and retention of public transport bus drivers. Building on funding provided in Budget 2022, this funding will provide improvements through base wage increases, split shift allowances, increases in late night rates, and building more rest break facilities for drivers.	[33]					
13828	Transport	Retaining and Recruiting Bus Drivers – Improving Terms and Conditions	This initiative provides funding to improve the retention and recruitment of bus drivers through more attractive terms and conditions to help provide the workforce necessary to absorb an increase in demand for public transportation and support emissions reductions. This is to be given effect to through nationally consistent terms and conditions for bus drivers to be agreed through a bus industry standard agreement for urban bus drivers (represented by Government, Industry, and Unions).	57.9	-	-	The remaining uncommitted funding in this initiative is being returned through Budget 2024 savings.	-	Note that there is no additional uncommitted funding available after savings
13841	Transport	Decarbonising Freight Transport – Resourcing and Seed Funding	This initiative provides funding for activities that support decarbonising the freight and supply chain sector. This includes funding for business cases and research programmes, capability and capacity, and contestable funding for low emission freight solutions.	3.3	-	-	This funding sits under the Ministry of Transport's general Transport policy advice appropriation. The Ministry has not determined what specifically will be cut in order to meet their 6.5% baseline saving, so was not able to confirm whether capability would be reduced from this stream of work at this time. It is possible FTEs will be cut from this area once decisions have been made on the wider departmental savings plan. Treasury and the Ministry do not recommend returning any further funding at this time until these decisions have been discussed with the Minister.	-	Note the Treasury does not recommend further savings, as funding has all been committed. Agree not to proceed with further savings at this time: Yes / No
-	Transport	Electric Vehicle Charging Infrastructure	This initiative provides funding to support provision of electric vehicle charging infrastructure, to encourage continued rapid uptake and ensure that a lack of chargers is no longer seen as a barrier to electric vehicle adoption. It includes funding for immediate outputs, including for electric vehicle journey charging hubs and chargers to connect communities; funding to improve government delivery of the Electric Vehicle Charging Strategy; and funding for further research to inform future investment.	5.6	-	-	Ministers intend to use remaining funding for work on EV charging network.	-	Note the Treasury does not recommend further savings, as funding has all been committed. Agree not to proceed with further savings at this time: Yes / No
14832	Tagged Contingency	Emissions Trading Scheme – Market Governance	This initiative provides funding, held in contingency, for market governance regulation to increase the integrity of the New Zealand Emissions Trading Scheme and reduce the risk of misconduct.	28.3	-	-	Decisions made through tagged contingency process.	-	Note that you have previous provided support for the return of these tagged contingencies, but that confirmation will occur ahead of bilateralisation with Portfolio Ministers
-	Tagged Contingency	Equitable Transitions Package – Regional Hydrogen Industry Transition	This initiative provides funding, held in contingency, for a hydrogen consumption rebate to accelerate the early adoption of green hydrogen in transport and industry. It will help to decarbonise hard to abate sectors, diversify the economy of Just Transition regions, and displace fossil fuels.	25.6	-	-	Decisions made through tagged contingency process.	-	Note that you have previous provided support for the return of these tagged contingencies, but that confirmation will occur ahead of bilateralisation with Portfolio Ministers
14061	Tagged Contingency	Establishing Native Forests at Scale to Develop Long-Term Carbon Sinks and Improve Biodiversity	This initiative removes barriers for native afforestation: increases propagation capacity, using automated technology to scale up native seedling production and reduce costs; facilitates innovation in seed collection, propagation and forest establishment including restoration, through focused research; and develops a long-term national strategy and action plan to grow native forests in partnership with rural landowners, iwi/Māori, foresters, communities and the private sector.	40.0	-	-	Decisions made through tagged contingency process.	-	Note that you have previous provided support for the return of these tagged contingencies, but that confirmation will occur ahead of bilateralisation with Portfolio Ministers

Annex 3: CERF Initiatives Update				Total remaining over 2023/24 - 26/27 following savings already made			B24 Savings already submitted	Uncommitted and uncontracted spend		
ID #	Vote	Title	Original Initiative Description at Budgets 2022 or 2023	Total Operating (\$m)	Capital (\$m)	Total Budget 2024 Savings Submitted by agency	Treasury comment	Uncommitted and uncontracted spend (after savings) (\$m, operating and capital)	Recommendation	
-	Tagged contingency	Setting up and operating an agricultural emissions pricing scheme		[33]						
-	Tagged Contingency	[33] and [25]								
-	Tagged Contingency	Westport Flood Resilience	This initiative provides funding, held in contingency, to enable continued Crown co-investment to build Westport's resilience to future flooding.	19.9	-	-	Decisions made through tagged contingency process.	-	Note that you have previous provided support for the return of these tagged contingencies, but that confirmation will occur ahead of bilateralisation with Portfolio Ministers	

*For Ministry for the Environment initiatives, initial funding and proposed savings figures have been updated to match the information provided to the Independent Rapid Review. Other information is correct as at 13 March.