



COVERSHEET

Minister	Hon Dr Megan Woods	Portfolio	Energy and Resources
Title of Cabinet paper	Progressing a sustainable transport biofuels mandate	Date to be published	28 June 2021

Date	Title	Author
16 December 2020	Progressing a sustainable transport biofuels mandate	Office of the Minister of Energy and Resources Office of the Minister of Transport
16 December 2020	Cabinet Business Committee Minute of Decision: Progressing a Sustainable Transport Biofuels Mandate (CBC-20-MIN-0139)	Cabinet Office

Information redacted

YES / <u>NO</u>

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Cabinet Business Committee

Minute of Decision

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Progressing a Sustainable Transport Biofuels Mandate

Portfolios Energy and Resources / Transport

On 16 December 2020, the Cabinet Business Committee, having been authorised by Cabinet to have Power to Act [CAB-20-MIN-0536]:

- **noted** that as transport is responsible for 47 per cent of New Zealand's domestic CO₂ emissions, it will be difficult to achieve the government's 2050 target, to reduce CO₂ emissions to net zero, unless transport is largely decarbonised;
- 2 **noted** that:
 - 2.1 biofuels are already available, especially in countries with mandates;
 - 2.2 biofuels have a role to play in the decarbonisation of transport, both as a transitional fuel for the existing light road vehicle fleet, and as a long-term solution where low emission vehicles and planes are prohibitively expensive, or are not expected to develop, for example in long-haul aviation;
- **3 agreed in principle** to implement a biofuel mandate, subject to the report referred to in paragraph 6 below;
- 4 **agreed** that the 2008 Biofuel Sales Obligation be reviewed for its suitability as a measure to facilitate an increase in the supply and use of sustainable biofuels in transport;
- 5 **directed** the Ministry of Business, Innovation and Employment and the Ministry of Transport, in consultation with the Ministry for Primary Industries, the Energy Efficiency and Conservation Authority, the Ministry for the Environment, and Waka Kotahi, to:
 - 5.1 conduct the review referred to in paragraph 4 above;
 - 5.2 undertake further research into the costs and benefits of a biofuels mandate and the sustainability criteria for biofuels;
- 6 **invited** the Minister of Energy and Resources and the Minister of Transport to report back to the Cabinet Economic Development Committee on the outcome of the officials' review by 30 April 2021, and if relevant, to seek approval to release a public consultation document on the preferred biofuels mandate's design;

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7 **noted** that the government may announce that it is investigating the possibility of introducing a biofuels mandate in the near term if it wishes to signal its interest in promoting the development of biofuels market in New Zealand.

Gerrard Carter Committee Secretary

Present:

Rt Hon Jacinda Ardern (Chair) Hon Grant Robertson Hon Kelvin Davis Hon Dr Megan Woods Hon Chris Hipkins Hon Andrew Little Hon David Parker Hon Nanaia Mahuta Hon Poto Williams Hon Damien O'Connor Hon Stuart Nash Hon Kris Faafoi Hon Jan Tinetti Hon Dr David Clark Hon Dr Ayesha Verrall Hon James Shaw Hon Stuart Nash

Officials present from: Office of the Prime Minister Department of the Prime Minister and Cabinet