MINO-723 - Clean Car Announcement

28 April 2023

Provide the key messages and names of who in the industry Waka Kotahi NZ Transport Agency Plans to engage with regarding the Clean Car announcement on 2 May 2023.

Waka Kotahi NZ Transport Agency's response:

Waka Kotahi is working collaboratively with the motor vehicle industry in the lead up to the 1 June 2023 payment deadline for the Clean Car Standard. Waka Kotahi meets fortnightly with new and used vehicle peak body representatives to discuss the Clean Car Standard (CCS) system and the policies and processes being developed to enable payments and credit transfers.

This collaborative approach is helping us deliver a system and processes that work for importers. It has resulted in a positive working relationship and the ability to solve problems and discuss issues as they arise.

The Imported Motor Vehicle Industry Association (VIA) and Motor Industry Association of New Zealand Inc (MIA) are members of the Clean Car Sector Leadership Group that was recently briefed on potential options for changing the Clean Car Discount (CCD) scheme to ensure its financial sustainability and continued effectiveness.

Out of respect for the partnership, and in the interests of no surprises and continuing to strengthen our relationship, Waka Kotahi would like to advise these groups that an announcement of changes to the CCD is imminent.

Specifically, it is proposed that on Monday, 1 May 2023, the Low Emission Vehicles (LEV) Programme Director, David Strong, advises the new and used motor industry associations' Section 9(2)(a) and a select representative, in confidence, that changes will be announced on Tuesday, 2 May 2023.

Teams calls would be made to the new MIA Section 9(2)(a) and the Section 9(2)(a) . For the VIA, it will be the Section 9(2)(a) and Section 9(2)(a) .

The industry representatives will be provided with embargoed copies of the two diagrams and tables that will be available on the Waka Kotahi website at the time of the announcement.

The following key messages will be conveyed:

- Tomorrow (2 May 2023), the Minister of Transport will make a pre-budget announcement on changes to CCD.
- We are giving you advance notice of the changes as a respectful courtesy due to the important role that MIA and VIA play in CCD and CCS, and to provide you information on what we are doing to prepare for implementing the changes and to assist you and your members.
- This information is provided in confidence and cannot be shared until after the Minister's announcement on Tuesday, 2 May 2023.
- The CCD has exceeded expectations and the Government is making changes to the scheme to ensure it is financially sustainable.
- The changes being announced will come into effect on 1 July 2023.
- At a headline level, more vehicles will be subject to fees and most rebates are reducing.

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- A special rebate for new and used low emission disability vehicles for Battery Electric Vehicle, and hybrids will be introduced.
- Disability vehicles remain exempt from fees, and non-Electric Vehicle (EV) and hybrids may qualify for a CO_2 based rebate
- The changes include:
    - narrowing eligibility for rebates to vehicles with emissions below 100 grams per kilometre, which will restrict rebates to EVs, plug-in hybrid electric vehicles (PHEVs) and some hybrids.
    - Rebates for EVs, PHEVs and some hybrids drop from $8,625 to $7,015, and a rebate for a new PHEV will change from $5,750 to $4,025.
    - Rebates for used imported EVs are increasing from $3,450 to $3,507.50 because supply is restricted.
    - Generally, small petrol cars and larger hybrids will not be eligible for a rebate because the CO_2 emission threshold at which vehicles will be subject to charges reduces from 192 grams of CO_2 per kilometre to 150 grams.
- The LEV Programme will be implementing the changes. We are aiming to do our best to make it easy for importers to adapt to the changes. This includes:
    - Darrell Hart will be the Project Manager.
    - The current LEV team will run digital, change management and comms in the same was as we have worked with you on the CCS changes.
    - We've engaged with Unisys and Webstruxure who will make the technical changes.
    - We will discuss the changes at the fortnightly industry meetings.
    - Following the Minister's announcement, Waka Kotahi will have a new web page that explains the changes and includes diagrams and tables summarising the changes. Our customer teams will be briefed and ready to take queries.
    - We are aiming that between four and six weeks prior to 1 July 2023, we will provide interim calculators on the Fuelsaver the RightCar website that reflects the new rates.
    - The changes will be communicated to car dealers and inspecting organisations through the Clean Car Programme newsletter following the Minister's announcement.

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