

## **New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022**

Pursuant to section 95(1)(t) of the Land Transport Management Act 2003, and sections 103 and 112 of the Crown Entities Act 2004, the Minister of Transport gives the following Direction.

### **Direction**

#### **1. Title**

This Direction is the New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022.

#### **2. Commencement**

This Direction comes into force on **1 November 2022**.

#### **3. Application**

This Direction applies to the New Zealand Transport Agency (which is a Crown Entity pursuant to section 93 of the Land Transport Management Act 2003) (“Agency”).

#### **4. Background**

As part of the Government’s commitment to provide an equitable transition to a low-emissions economy, the Clean Car Upgrade Scheme is being trialled (“Trial Upgrade”). The primary purpose of the Trial Upgrade is to make cleaner vehicles and low-emissions alternatives affordable for low- and moderate-income households. With the Trial Upgrade, people who meet the income requirements and have an eligible vehicle to be scrapped will receive a grant to replace their scrapped vehicle with low-emissions transport, such as low-emission vehicles, e-bikes, public transport and low-emission vehicle share and lease services.

The Trial Upgrade is to be trialled in Auckland, Christchurch and Gisborne and is expected to commence in April 2023 in at least one of these locations.

The Agency has a number of functions outlined in section 95 of the Land Transport Management Act 2003, including the function under section 95(1)(t) to carry out any other functions relating to land transport that the Minister directs in accordance with section 112 of the Crown Entities Act 2004. This Direction directs the Agency to carry out the function of establishing and administering the Trial Upgrade.

This Direction also directs the Agency to give effect to government policy in relation to the administration of the Trial Upgrade and the Clean Vehicle Discount (“Discount”). The administration of the Discount is one of the Agency’s functions under section 95(1)(ma) of the Land Transport Management Act 2003. On 28 February 2022 the Minister of Transport directed the Agency to give effect to Government policy in the administration of rebates under the Discount. The 28 February 2022 Direction specifies vehicles that are excluded from eligibility to receive rebates under the Discount. This Direction will expand the list of excluded vehicles to include vehicles purchased with the aid of a grant issued under the Trial Upgrade.

The Agency was consulted during the development of this Direction.

#### **5. Additional Function**

Pursuant to section 112 of the Crown Entities Act 2004, the Agency is directed to carry out the following additional function:

To establish and administer the Trial Clean Car Upgrade. For clarity, this includes undertaking work necessary to establish the Trial Upgrade prior to its implementation.

#### **6. Administration of Additional Function**

Pursuant to section 103 of the Crown Entities Act 2004, the Agency is directed to give effect to the following Government policy in the administration of the Trial Upgrade and the Discount:

A vehicle purchased with the aid of a grant issued under the Trial Upgrade is an excluded vehicle for the purpose of the Direction to the Agency in relation to the administration of the Discount’s Rebates. To avoid doubt, this means that the Agency must not issue a rebate under the Discount to a vehicle that has been purchased with the aid of a grant issued under the Trial Upgrade.

This Direction is further to, and must be read alongside, the Direction to the New Zealand Transport Agency on the Administration of Clean Vehicle Discount Scheme Rebates, dated 28 February 2022, or as amended from time to time.

Dated at Wellington this 12th day of October 2022.

HON MICHAEL WOOD, Minister of Transport.