

SUBMISSION TO CLIMATE CHANGE TARGET CONSULTATION DOCUMENT

Organisation: **Freight Logistics Action Group**

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John Gordon, Chairman, Freight Logistics Action Group

INTRODUCTION:

The Freight Logistics Action Group (FLAG) was formed in 2011 to implement actions arising from the Bay of Connections Freight Logistics Strategy.

The group is comprised of members representing a wide cross section of the logistics and supporting industries, including commercial operators, companies, research, education & training, economic development, and local and central government partners. Current membership list is attached.

While the group operates within the Bay of Connections framework, it has an increasing involvement with the wider Upper North Island freight sector, particularly with our neighbours in Waikato. We have a strengthening interaction and involvement with Waikato-based representatives and members.

The goal of the Group is:

- *To lift New Zealand's (International) ranking in Logistics Performance*

The main Group meets bi-monthly and has active working groups on:

- Workforce & Skills
- Health, Safety and Environment
- High productivity vehicles
- Enabling Technology

SUBMISSIONS

FLAG generally supports the comprehensive submission to this consultation document made by its sister strategy group, the Bay of Connections Forest & Wood Action Group and recommends the FWAG submission for careful consideration by Ministry for the Environment.

Objectives for the 'intended nationally determined contribution'

Question 1(a) Do you agree with the above objectives for our contribution?

FLAG agrees with the Government's consultation document that three key objectives for the contribution should be:

- That it is seen as a fair and ambitious contribution – both by international and domestic audiences.
- That the costs and impacts on society be managed appropriately.
- That it must guide New Zealand over the long term in the global transition to a low emissions world.

New opportunities

Question 4. Of these opportunities which do you think are the most likely to occur, or be most important for New Zealand?

As outlined in the FWAG submission, FLAG considers that the most significant, proven, readily available and affordable opportunity is:

- *Reducing greenhouse gas emissions by increasing forest sinks will lead to improved health, environmental and social well-being, and improved erosion control and water quality.*

We also support the opportunities in:

- *Fuel and energy efficiency can reduce costs to businesses and households.*

We note that in respect of transport fuels:

- Over 44% of NZ's CO₂ emissions are from transport fuels. An immediate opportunity to reduce freight fuel consumption is to extend the use of high productivity motor vehicles. HPV trucks typically consume 12 to 15% less fuel per tonne of payload carried. NZ has made good progress in implementing HPV, but the development is stalled short of the 25m, 64 tonne maximum envelope envisaged in the introduction of HPV legislation in 2010. Full implementation of the HPV opportunity will further increase fuel efficiency and reduce CO₂ emissions.
- Fuel efficiency, productivity and reduced transport costs are all delivered in HPV use and we note that each \$1 saved in transport costs translates to \$2.50 in GDP.

- Rail is well recognised as a fuel efficient freight mode and has options for further conversion to electric motive power.

We agree that:

- *Remaining aligned with the global transition to a lower-carbon economy will ensure we remain competitive and productive in a world where the emissions intensity of our products and services will increasingly be an issue.*

Embedding clean, green energy in processed and manufactured solid wood and wood fibre products in NZ for export, along with the energy-efficient transport of these products to market, is a significant opportunity to reduce the demand for fossil-fuel created energy in many of our market countries.

Question 5. How should New Zealand take into account the future uncertainties of technologies and costs when setting its target?

FLAG recognises that predicting what we can achieve to reduce emissions 10 to 15 years from now, and what technology will be available, is a significant challenge.

We also agree that while we need to ensure that our target is considered fair and ambitious (including progressing upon our previous targets), we also need to ensure the costs for New Zealand are fair compared with what other countries are doing. Doing more than our fair share would also impact the competitiveness of New Zealand businesses and place unnecessary costs on households.

We agree with the approach outlined, ie that when we set our contribution, we need to be very clear both to New Zealanders and other countries about the assumptions that sit behind our contribution and the importance of technological advancements that are anticipated.

FREIGHT LOGISTICS ACTION GROUP MEMBERS	
Member	Organisation
David Kriel	CHH Lodestar
Malcolm Hardy Greg Bold	BOP Polytechnic
Gilly Peterson Arthur Tsitsiras	Ballance Agrinutrients
John Gordon (Chairman)	Sharp Tudhope
Mike Spiers	PF Olsen
Mark Whitworth	Port of Tauranga
Tony Boyle	AmZ
Andrew Coker	Priority One
Parke Pittar	C3
Kevin Harrison	Kiwi Rail
Jon Reid	Winstone Aggregates
Willie Hogan	Orica
Ian Mearns	Kiwi Fruit Logistics
Liam Dickson Neil Weber	ISO
Francis Pauwels	Rotorua District Council
Kerry Ellem	Taupo District Council
Lorraine Creasey	Comvita
Graeme Marshall	Timaru Container Terminal
Ian Gray	Cucumber Software
Greg Pert	Tranzliquid
Matt Hodgson	Dairy Transport Limited
John Galbraith	Consultant
Ken Tremaine	SmartGrowth Strategic Advisor
Dion Abrahams	Woodland Management
Chin Abeywickrama	Netlogix
Rick Powdrell	Te Puke Fast Forward
Jean-Paul Thull	GiLT
Emil Verster	Capes Medical