NOTIFICATION

The following notification is being circulated in accordance with Article 10.6

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| **1.** | **Notifying Member:** NEW ZEALAND**If applicable, name of local government involved (Article 3.2 and 7.2):**  |
| **2.** | **Agency responsible:** Ministry of Business, Innovation and EmploymentPO Box 1473Wellington 6140New ZealandEmail: energymarkets@mbie.govt.nzWebsite: <https://www.mbie.govt.nz/>**Name and address (including telephone and fax numbers, email and website addresses, if available) of agency or authority designated to handle comments regarding the notification shall be indicated if different from above:** New Zealand TBT Enquiry PointStandards New ZealandPhone: +64 4 498 5990Email: wto@standards.co.nzWebsite: [www.standards.govt.nz](http://www.standards.govt.nz)  |
| **3.** | **Notified under Article 2.9.2 [****X],** **2.10.1 [****],** **5.6.2 [****X],** **5.7.1 [****], 3.2 [****], 7.2 [****],** **other****:**  |
| **4.** | **Products covered (HS or CCCN where applicable, otherwise national tariff heading. ICS numbers may be provided in addition, where applicable):** Mineral transport fuels and biofuels, this includes the following:2709 - Petroleum oils and oils obtained from bituminous minerals, crude2710 - Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations; waste oils |
| **5.** | **Title, number of pages and language(s) of the notified document:** Cabinet Paper - Sustainable Biofuels Obligation: Final policy design (30 pages in English)The Sustainable Biofuels Obligation: proposals for regulations (30 pages in English); (60 page(s), in English) |
| **6.** | **Description of content:** The Sustainable Biofuels Obligation will require importers and domestic producers of liquid transport fuels to reduce the emissions intensity of their fuel supply by a set percentage each year through the deployment of biofuels. Biofuels used to meet the Obligation will be assessed using a lifecycle emissions analysis methodology to determine their GHG emissions intensity.The obligation will apply to all transport fuels, excluding domestic aviation fuel. An aviation-based obligation will be developed over a longer timeframe.The Obligation is currently scheduled to enter into force from 1 April 2023. The timing of this proposed measure may be subject to change, in which case an addendum notification will be issued.Only biofuels that are determined to be sustainable will be eligible under the Obligation. Methodologies to determine the sustainability of biofuels will be set out in supporting regulations. This could include the use of existing sustainability certifications schemes such as the International Sustainability and Carbon Certification Plus Standard.Regulations may also place limits or restrictions on the extent to which an obligated party may meet their obligation by means of a particular type of biofuel, particularly with respect to feedstocks, to address issues of indirect land use change.The supporting regulatory framework will be developed in late 2022 and will provide further detail on the methodology for determining the sustainability of biofuels, and limits or restrictions on particular types of biofuels. An addendum notification will be issued once this detail is available. |
| **7.** | **Objective and rationale, including the nature of urgent problems where applicable:** The primary objective of the Sustainable Biofuels Obligation is to reduce greenhouse gas (GHG) emissions in New Zealand's transport fleet through the deployment of sustainable biofuels. The Obligation will be a key part of how New Zealand's Emissions Reduction Plan and the net-zero carbon 2050 target will be met.To achieve this, it is important to ensure that any biofuels used to meet the obligation are credible and genuinely sustainable. The Obligation and supporting regulatory framework will be developed in a manner that promotes the cultivation of biofuels and feedstocks in a manner that prevents adverse environmental or social impacts and ensures that any greenhouse gas benefits are genuine. |
| **8.** | **Relevant documents:** Cabinet Paper – The Sustainable Biofuels Obligation – Final Policy Design <https://www.mbie.govt.nz/have-your-say/increasing-the-use-of-sustainable-biofuels-in-aotearoa-new-zealand/>Discussion document - The Sustainable Biofuels Obligation - Proposals for Regulations <https://www.mbie.govt.nz/dmsdocument/21273-the-sustainable-biofuels-obligation-proposals-for-regulations-pdf> |
| **9.** | **Proposed date of adoption:** 1 December 2022; May be subject to change**Proposed date of entry into force:** 3 April 2023; May be subject to change |
| **10.** | **Final date for comments:** 60 days from notification |
| **11.** | **Texts available from: National enquiry point [****X]** **or address, telephone and fax numbers and email and website addresses, if available, of other body:** New Zealand TBT Enquiry PointStandards New ZealandPhone: +64 4 498 5990Email: wto@standards.co.nzWebsite: [www.standards.govt.nz](http://www.standards.govt.nz)  |