Transport sector

This summary gives a snapshot of greenhouse gas emissions in three areas: passenger transport, freight transport and aviation.

Overall findings of the 2025 report

- Aotearoa New Zealand is making progress on reducing greenhouse gas emissions – net emissions fell by 2% between 2022 and 2023.
- Emissions are on track for the first budget (for 2022–2025) but will need more work – urgently – to set up for future budgets and the 2050 target.
- Action across a wide range of sectors can strengthen the country's resilience to changing global conditions. There are many viable opportunities for further reductions that could reduce risk for the economy and return other benefits to the country. Read more about further reductions in the transport sector in the 'Opportunities for further reductions' section below.

Snapshot of transport emissions

Total sector emissions
13.7 $MtCO_2e$ (2022)
14.2 $MtCO_2e$ (2023)

Percentage of country's gross emissions
19% (2023)

Contribution to emissions reductions sought in the second emissions budget period (2026–2030)
13%

Change in emissions between 2022 and 2023
+3% in total transport emissions
+24% in aviation emissions
+2% in passenger transport emissions
+1% in freight emissions

Policy scorecard

Scorecards assess the adequacy of current policy and plans for reducing emissions in each sector, and determine if the risk has increased, decreased or remained the same as in our 2024 assessment.

– No change in risk since 2024 ↓ Decreased risk since 2024

Policy area	Overall risk assessment	
	EB2	EB3
Reduce demand for carbon-intensive passenger transport	↓	–
Reduce vehicle emissions intensities of passenger transport	–	–
Reduce domestic aviation emissions intensity	–	–
Reduce emissions intensity for freight	–	–
Reduce demand for carbon-intensive freight transport	–	–

Moderate risks Significant risks

Key sector findings

Changes in emissions

- The increase in transport emissions in 2023 came mainly from increased travel; 2023 was the first year since 2019 where the data does not include impacts of COVID-19 travel restrictions.
- Road travel increased in 2023, but the associated passenger transport emissions were partially offset by improved fuel efficiency and more use of electric vehicles.
- After a peak of 19% of all registered vehicles in December 2023, registrations of zero-emissions vehicles fell to 3% in 2024.

Policy changes in the last year

- The Clean Car Standard targets were adjusted, the public electric vehicle (EV) charger grants were replaced with an interest-free loan scheme, and the Land Transport Management (Time of Use Charging) Amendment Bill was introduced into Parliament.
- The Government Policy Statement on land transport 2024 and the 2024–2027 National Land Transport Programme were finalised.

Challenges to achieving planned emissions reductions

- While the sustainable aviation fuel mandate and targets for aviation decarbonisation are credible policies, there is a lack of clarity around policy detail, timelines and funding sources.
- Freight emissions present significant risks due to uncertainty of the timing and implementation of the Low Emissions Heavy Vehicle Fund and no known action to support heavy vehicle charging, availability of low-carbon fuels for freight and integrated freight planning.
- The moderate risks to reducing passenger transport emissions intensity are due to the potential for continued low EV adoption without policies to lower the upfront and ownership costs.

- The risks to reducing demand for carbon-intensive passenger transport come primarily from poor integration of land use and transport planning and reduced funding for walking and cycling after 2027.

Areas for attention

- Guiding transport infrastructure and urban development towards compact, mixed-use areas supported by public transport and walking and cycling infrastructure could reduce emissions as well as providing health savings and improved climate resilience.
- Integrated national and regional planning could increase the amount of freight carried by rail and coastal shipping and reduce the emissions intensity of freight transport.
- Improving freight infrastructure, such as hydrogen refuelling or electric charging stations, could increase the use of zero-emission heavy vehicles.
- The Government has an opportunity to fund research, offer tax incentives or grants to fuel producers and set rules that encourage the use of low-carbon liquid fuels for heavy freight transport and sustainable aviation fuels.

Opportunities for further reductions

- Falling global EV battery prices present an opportunity to expand EV use, especially for heavy vehicles.
- Greater shifts to lower emissions transport modes, such as public passenger transport and rail for freight could achieve emissions reductions of 3.5 $MtCO_2e$.
- Supporting greater uptake of low-emission and zero emission vehicles could reduce emissions by a further 3.5 $MtCO_2e$ by the end of the third emissions budget period.

About emissions reduction monitoring

Each year, He Pou a Rangi Climate Change Commission (the Commission) independently monitors Aotearoa New Zealand's progress on reducing greenhouse gas emissions. These reports form a picture over time, showing how the country is tracking towards its climate change goals.

The 2025 report tracks emissions reductions overall, as well as the government's progress towards meeting the first, second and third emissions budgets, which cover 2022–2025, 2026–2030 and 2031–2035 respectively. These emissions budgets are the stepping stones towards the country's 2050 target.

New Zealand's Greenhouse Gas Inventory provides emissions data up until the end of 2023; Stats NZ estimates and Government projections supplement this to provide a more up-to-date picture.

Want to read more?

There are also summaries of the agriculture; waste and fluorinated gases; energy, industry and buildings; and removals sectors, as well as on progress, risks and further opportunities centred on iwi/Māori.

The summaries and full report – along with an 'At a glance' overview and a one-page summary of our findings – are on the Commission's website: climatecommission.govt.nz/ERM-2025.