He Pou a Rangi
Climate Change Commission

Whakahekenga rehukino

Iwi/Māori play an important role in emissions reduction, providing leadership in communities and across sectors, and more can be done to support and resource this.

Māori-led climate efforts grounded in intergenerational and te ao Māori principles are not currently matched by Crown partnership or resourcing.

What we heard

- As the impacts of climate change increase in frequency and severity, the calls for a more consistent and sustainable approach by the Government to the Crown–Māori relationship continue to grow.
- Exercising rangatiratanga is about communities taking action and moving forward in a way that supports whānau and hapū needs and aspirations. Creating a sense of connection, supporting collaboration, and bringing people together is essential for creating good outcomes at whānau, hapū and community levels.
- Iwi/Māori continue to provide climate leadership by reducing emissions and supporting adaptation alongside local councils.
- Funding allocation for Māori-led climate initiatives, iwi/Māori emissions reduction plan coverage and Māori representation in governance structures are useful tohu to monitor. We've incorporated the first into this year's report and will assess the other two tohu in future monitoring.

What our analysis shows

Funding allocation for Māori-led climate initiatives

- It is difficult for communities to find sufficient funding for emissions reduction work, especially for hapū and marae. Funding that is available often reflects the leadership role marae and hapū play during climate change events and can be limited to clean-up initiatives.
- Funding is often tied to highly prescribed or restrictive criteria that limits the actions communities can take, despite them knowing what options work best for them.

- The Māori Climate Platform continues to be the main mechanism for meeting Crown obligations to Māori. The funds available were inadequate given the scale of the Crown–Māori relationship. The funding for the Māori Climate Platform is ending with no planned replacement, creating significant risk for the relationship.
- Other funds exist and can benefit iwi/Māori communities, but these tend to be non-climate specific and are not designed by or for iwi/Māori. We have not identified an uptake of emissions reduction funding by iwi/Māori through alternative funding mechanisms.

The Crown–Māori relationship

- There is a major opportunity to accelerate emissions reductions via a strong Crown–Māori relationship, grounded in iwi/Māori climate leadership and local community priorities.
- It is crucial that the Crown fosters trust and goodwill through clear commitments and consistent actions.
- The Crown's commitments and actions do not meet the scale of emissions reductions required and the diversity of need and priorities across te ao Māori when it comes to climate action. Current actions will not be enough to achieve long-term emissions reduction goals, and may weaken the Crown–Māori relationship, slowing progress.

The Māori economy

- Actions to reduce emissions may disproportionately affect the Māori economy and policies may be needed to address unique barriers, including access to capital. The Māori economy was estimated to be 8.9% of gross domestic product in 2023.
- Many iwi/Māori businesses bring an ao Māori perspective to their decisions and are making investment decisions that align with their obligations to future generations and kaitiaki duties. These aspirations are balanced with the imperative to be profitable. At the same time, many iwi/Māori businesses face unique and more prevalent barriers in the external business environment that may limit their ability to reduce emissions.

Barriers

- Funding and finance continue to be a significant barrier, including high-effort compliance, reporting, or overly restrictive criteria that disincentivises applications for funding. Access to finance makes it harder for pakihi Māori to invest in capital equipment, research and development, and land-use change, preventing them from taking climate action.
- Iwi/Māori face specific barriers (such as obtaining debt finance due to legal protections on whenua Māori) and are disproportionately affected by others (such as financial market failures in some rural areas). On average, pakihi Māori face higher borrowing costs: the Reserve Bank of New Zealand estimates up to an additional 50 basis points on liabilities compared with non-Māori firms.
- We heard there should be a greater focus on removing barriers to data, which continues to slow iwi/Māori emissions reduction efforts. Data is scattered across government agencies, universities and councils; often it does not exist or is prohibitively expensive.
- Without data, it is hard for iwi/Māori to make decisions on how to reduce emissions. There is no published emissions profile for the Māori economy, which makes it difficult for the Government to reflect the priorities and needs of iwi/Māori and their communities.

Areas for attention

- Supporting iwi/Māori and councils to expedite work that is already under way.
- Setting policy for when the Māori Climate Platform ends.
- Greater consideration of how decisions can affect the Crown–Māori relationship and emissions reduction efforts.
- Removing barriers to funding and finance, including high-effort compliance, reporting or overly restrictive criteria that disincentivise applications for funding.
- Removing barriers to data that continue to slow iwi/Māori emissions reduction efforts.

Iwi/Māori findings throughout the report

- Merging multiple departments into the new Ministry of Cities, Environment, Regions and Transport may have implications for Crown–Treaty responsibilities and recognition of mātauranga Māori in decision-making. See *Chapter 1: Introduction*.
- The New Zealand Emissions Trading Scheme (NZ ETS) requires reform to incentivise further emission reductions and removals in the 2030s. Co-design and partnership with iwi/Māori will be critical to any evolution of the NZ ETS. This is to ensure that impacts for Māori landowners, iwi/Māori foresters and other interested iwi/Māori groups are reflected in policy decisions. See *Chapter 3: Economy and emissions pricing*.
- Climate hazards interact with long-standing structural factors to create a set of interconnected risks that specifically affect iwi/Māori communities. Adaptation planning is needed to reduce Aotearoa New Zealand's exposure and vulnerability to these risks. Engagement with iwi/Māori has highlighted a desire for greater recognition of the benefits of and stronger incentives for indigenous forestry. We also heard that protecting or enhancing coastal and marine ecosystems may help to reduce threats to mahinga kai and taonga species, helping to avoid cultural and spiritual losses for iwi and hapū. See *Chapter 6: Adaptation and nature*.
- Finance barriers to the energy transition are more pronounced for small- and medium-sized enterprises and for Māori businesses, which often face more limited access to finance and funding options. Stronger partnerships with iwi/Māori could help unlock capability, capital and social licence for new energy infrastructure while supporting emissions reductions. See *Chapter 7: Energy, industry and buildings*.
- There are several barriers and enablers for iwi/Māori relating to reducing transport emissions. These include higher prices of electric vehicles; improved health and social outcomes from increased walking and cycling; difficulties for Māori-owned businesses accessing capital and higher borrowing costs; and Māori economy investment in key enablers (e.g. Ruakura Superhub and job creation in the Māori economy from domestic sustainable aviation fuel production). See *Chapter 8: Transport*.
- The NZ ETS does not incentivise shifts to high-value, low-emissions land uses such as horticulture. Significant barriers persist, including limited access to capital (particularly for some Māori businesses), high establishment costs and gaps in infrastructure, advisory services and skilled labour. See *Chapter 9: Agriculture*.
- For forestry, entrenched constraints limit the use of whenua Māori and related decision-making. Further enabling Māori landowners to engage in forestry remains an opportunity for carbon removals. See *Chapter 11: Forestry*.

Overall findings of the 2026 report

- Greenhouse gas emissions are gradually falling, but the pace needs to more than double.
- The risks to meeting the country's emissions goals have increased. If additional action does not occur in the next one to two years, it will no longer be feasible to meet the 2030 biogenic methane target or the third emissions budget.
- Climate disruption and economic impacts in Aotearoa New Zealand are growing, and greater and more durable emissions reductions are needed to manage these risks.
- Acting earlier to reduce emissions can strengthen resilience, reduce exposure to shocks, and lower costs for households, businesses and the country.

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.

This is our third annual report. It tracks emissions reductions overall, as well as the government's progress towards meeting the second and third emissions budgets and the 2050 target.

New Zealand's Greenhouse Gas Inventory provides emissions data up until the end of 2024; Stats NZ estimates and Government projections supplement this to provide a more up-to-date picture.

The Climate Change Response Act 2002 requires the Government to include a strategy in its emissions reduction plan to mitigate the impacts that emissions reductions will have on iwi and Māori. The Commission assesses the adequacy of the Government's plan, and considers the Crown–Māori relationship, te ao Māori, and specific effects on iwi and Māori.

Want to read more?

A dedicated chapter within the report, Whakahekenga rehukino, gives more detail on progress, risks and further opportunities centred on iwi/Māori.

There are also summaries of the agriculture; waste and fluorinated gases; transport; energy, industry and buildings; and forestry sectors.

These summaries and the full report – along with the executive summary and a one-page summary of our findings – are on the Commission's website: climatecommission.govt.nz/ERM-2026.