

Hon Simeon Brown
Minister for Transport and Energy
Parliament Buildings
WELLINGTON



30 November 2023

Open Letter: Let's not crash EV sales!

Dear Minister,

Congratulations on your appointment as the Minister of Transport, we are looking forward to working with you.

At Drive Electric we have a mission to accelerate the uptake of e-mobility in New Zealand.

We welcome your commitments to electrifying New Zealand and investing in 10,000 public chargers by 2030.

We acknowledge your coalition agreement to end the Clean Car Discount.

Drive Electric's [State of the Nation Report](#) shows that the Clean Car Programme has helped increase our electric fleet by 70% in the last year. But EV fleet share is less than 2%.

An immediate end to the Clean Car Discount will dramatically disrupt EV sales. This could see tens of thousands fewer EVs entering the market over this term of Parliament, meaning higher emissions and hundreds of millions more spent on oil imports.

There is an opportunity to create an alternative fiscally neutral scheme, that is still compatible with your election commitment, for example:

- A staged withdrawal of discounts that provides consumers time to adjust;
- Reducing rebates and tightening eligibility; and
- Exempting certain categories of vehicle from fees (e.g. utes).

There are novel alternatives to explore as well, including removing FBT or accelerating depreciation for commercial fleets.

We ask you to sit down with industry, before ending the Clean Car Discount, and let's come up with something better.

The faster we get people into EVs the faster we end dependence on imported petrol and diesel, saving the economy and households billions of dollars every year.

An electric transport future is a cheaper future for Kiwis. Charging a BEV at home is the cheapest way to drive a car 100km in New Zealand, costing less than \$5. (It will cost around \$21 using petrol).

It's also a future with fewer emissions. Transport makes up 18% of transport emissions.

Yours sincerely,

Kirsten Corson
Incoming Board Chair
Drive Electric