

MINISTERIAL BRIEFING NOTE

Subject	Clean Car Discount - Quarterly Update
Date	21 July 2023
Briefing number	BRI-2830

Contact for telephone discussion (if required)				
Name	Position	Direct line	Cell phone	1 st contact
Tracy Leighton	Head of Customer Operations	s9(2)(a)	s9(2)(a)	✓

Action taken by Office of the Minister

- ☐ Noted
- ☐ Seen by Minister
- ☐ Agreed
- ☐ Feedback provided
- ☐ Forwarded to
- ☐ Needs change [please specify]
- ☐ Withdrawn
- ☐ Overtaken by events

21 July 2023

Hon David Parker - Minister of Transport

Clean Car Discount Quarterly Update

Purpose

1. The following briefing provides an update on the Clean Car Discount scheme for the April to June 2023 Quarter and commentary on the scheme to date.

Key messages

2. There have been no material changes to the Clean Car Immediate Rebate since the update last quarter. We have focused this update on the expanded scheme April 2022 – March 2023.
3. There has been an increase in registrations of vehicles in the last quarter in response to the changes of policy settings of fees and rebates that came into effect 1 July 2023.
4. For the month of June 2023, fees received exceeded rebates paid as consumers responded to the Clean Car Discount 1 July 2023 changes. Fees are received at the time of registration whereas rebates are only paid after applications have been applied and processed.
5. It will take time for the 1 July 2023 policy settings of fees and rebates to flow through as there is a natural delay for rebates being paid.

April – June 2023 Quarter update

6. **Clean Car Discount (based on CO₂ Emissions)** - The number of Clean Car Discount applications received this quarter has increased by 31.6 percent from the previous quarter.

	Clean Car Discount (based on CO ₂ Emissions)	
	Quarter	Scheme to date
	April 2023 to June 2023	April 2022 to June 2023
Total Rebate Paid	\$72.3m	\$355.2m
Total Fee Collected	\$50.4m	\$194.1m
Applications Received	35,081	130,028
Applications Processed*	25,672	116,277

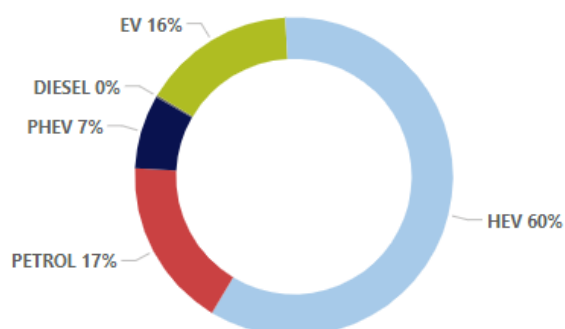
* Applications Processed include application status 'approved' and declined' and applications received from the previous quarter.

** \$values have been rounded to the nearest \$100,000.

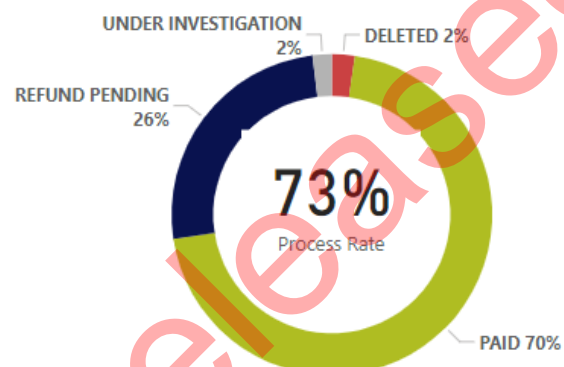
7. **Clean Car Discount application details** – Non-plug-in Hybrids (HEVs) account for the most applications this quarter. Of the total 35,081 applications, 20,875 applications were for HEVs (60 percent).

Clean Car Discount Application Details April 2023 to June 2023

Application by Vehicle Type



Application Status



8. **Clean Car Discount** - The most popular new vehicle applications received were for the Toyota RAV4 HEV (10.7 percent) followed by the Tesla Model Y (6.3 percent). The most popular used vehicle was the Toyota Aqua (23.9 percent) followed by the Toyota Prius (16.6 percent).

Clean Car Discount Top Five Vehicles – April 2023 to June 2023

New Vehicles	# Applications	%	Vehicle Type
TOYOTA RAV4	1,720	10.7%	HEV
TESLA MODEL Y	1,008	6.3%	EV
MITSUBISHI ECLIPSE CROSS	954	6.0%	PHEV
BYD ATTO 3	896	5.6%	EV
SUZUKI SWIFT	731	4.6%	PETROL

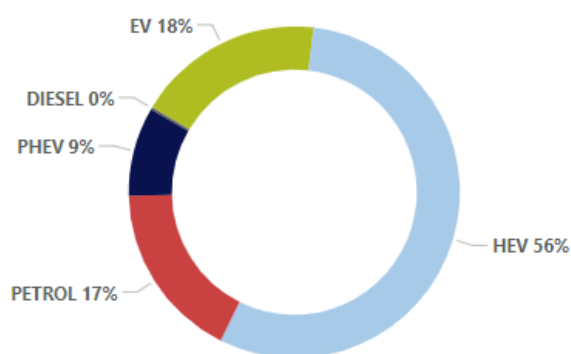
Used Vehicles	# Applications	%	Vehicle Type
TOYOTA AQUA	4,567	23.9%	HEV
TOYOTA PRIUS	3,173	16.6%	HEV
TOYOTA COROLLA	1,015	5.3%	HEV
MAZDA DEMIO	812	4.3%	PETROL
NISSAN LEAF	782	4.1%	EV

Scheme to date update

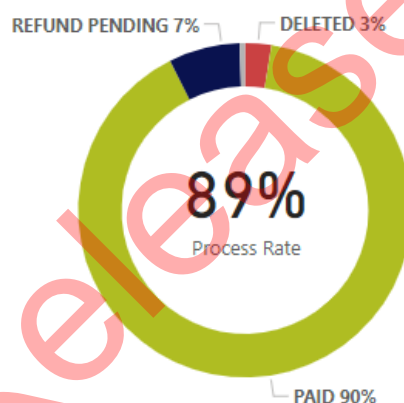
9. The following section outlines the expanded Clean Car Discount trends from April 2022 to June 2023.
10. Cumulatively, HEVs (56 percent) are the most popular application by vehicle type for the expanded Clean Car Discount followed by electric vehicles (EVs) (18 percent).

Clean Car Discount Application Details from April 2022 to June 2023

Application by Vehicle Type

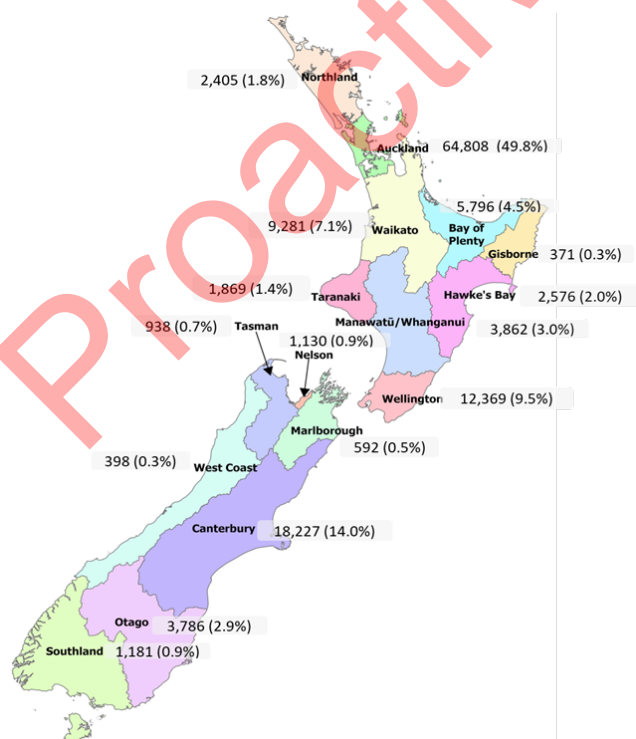


Application Status



11. **Applications by region** - The Auckland region has the highest number and percentage of all applications (49.8 percentage), followed by the Canterbury (14.0 percent) and Wellington (9.5 percent) regions. This is expected due to larger populations in these areas. A full breakdown of Clean Car Discount applications by region is attached as **Appendix A**.

Clean Car Discount Applications by Region



12. **Make and Model** - The most popular new vehicle applications received were for the Tesla Model Y (9.5 percent) followed by the Toyota RAV4 (8.6 percent). For the used sector, the Toyota Aqua is the most popular vehicle (27.3 percent), followed by the Toyota Prius (15.1 percent).

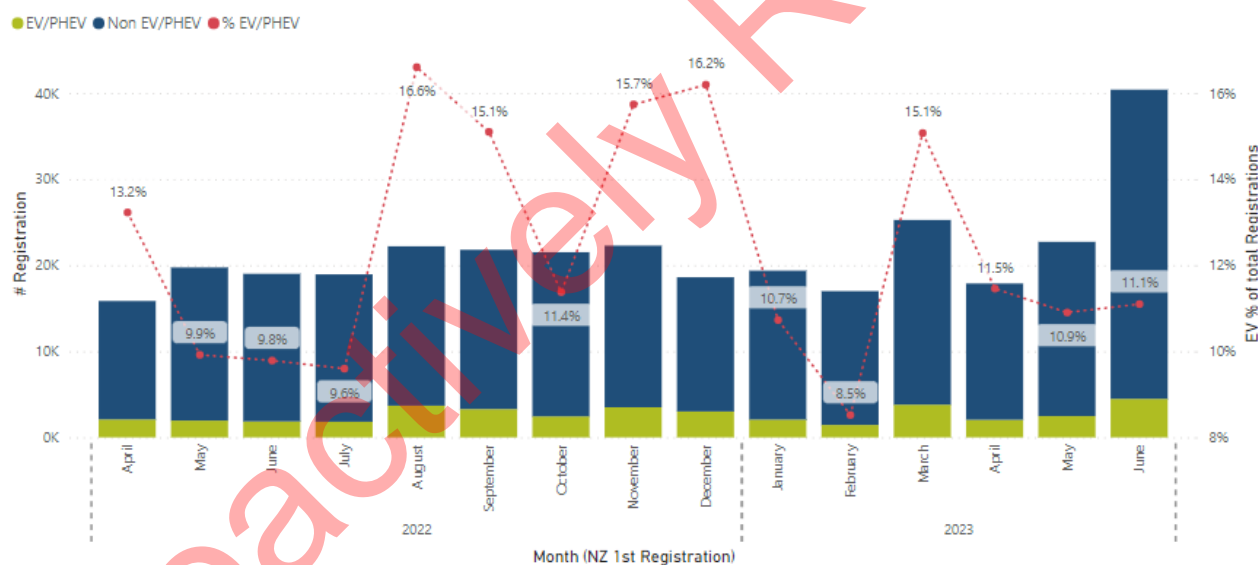
Cumulative Clean Car Discount Top Five Vehicles – April 2022 to March 2023

New Vehicles	# Applications	%	Vehicle Type
TESLA MODEL Y	6,026	9.5%	EV
TOYOTA RAV4	5,447	8.6%	HEV
MITSUBISHI ECLIPSE CROSS	3,730	5.9%	PHEV
BYD ATTO 3	3,398	5.4%	EV
SUZUKI SWIFT	3,373	5.3%	PETROL

Used Vehicles	# Applications	%	Vehicle Type
TOYOTA AQUA	18,202	27.3%	HEV
TOYOTA PRIUS	10,091	15.1%	HEV
NISSAN LEAF	3,943	5.9%	EV
TOYOTA COROLLA	3,543	5.3%	HEV
MAZDA DEMIO	3,277	4.9%	PETROL

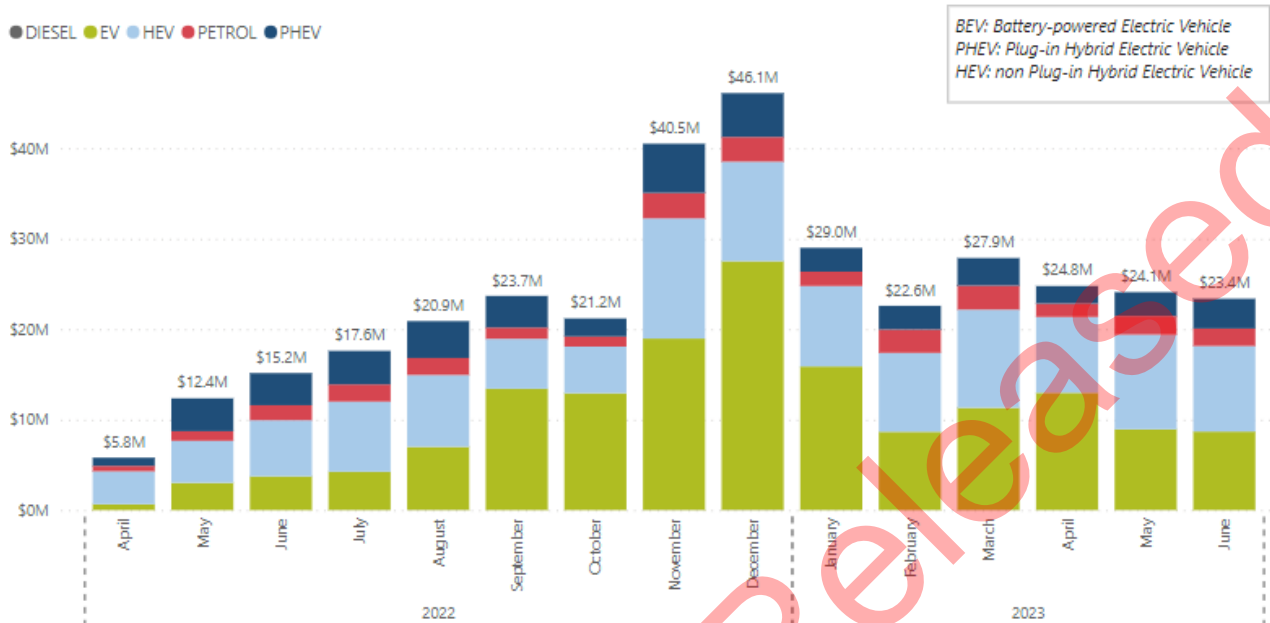
13. The following graph shows the cumulative trend of all light electric vehicles and plug-in hybrid vehicles (PHEVs) first registered in New Zealand compared to all light vehicles. EVs and PHEVs have fluctuated around 8-17 percent over the past year and demand has remained strong.

Percentage of Newly Registered EV and PHEVs Compared to all Light Vehicle Registrations



14. **Clean Car Discount Rebates** - In total there has been \$355m paid in rebates from 1 April 2022 to 30 June 2023.

Clean Car Discount Rebate Monthly Payments by Vehicle Type Trend



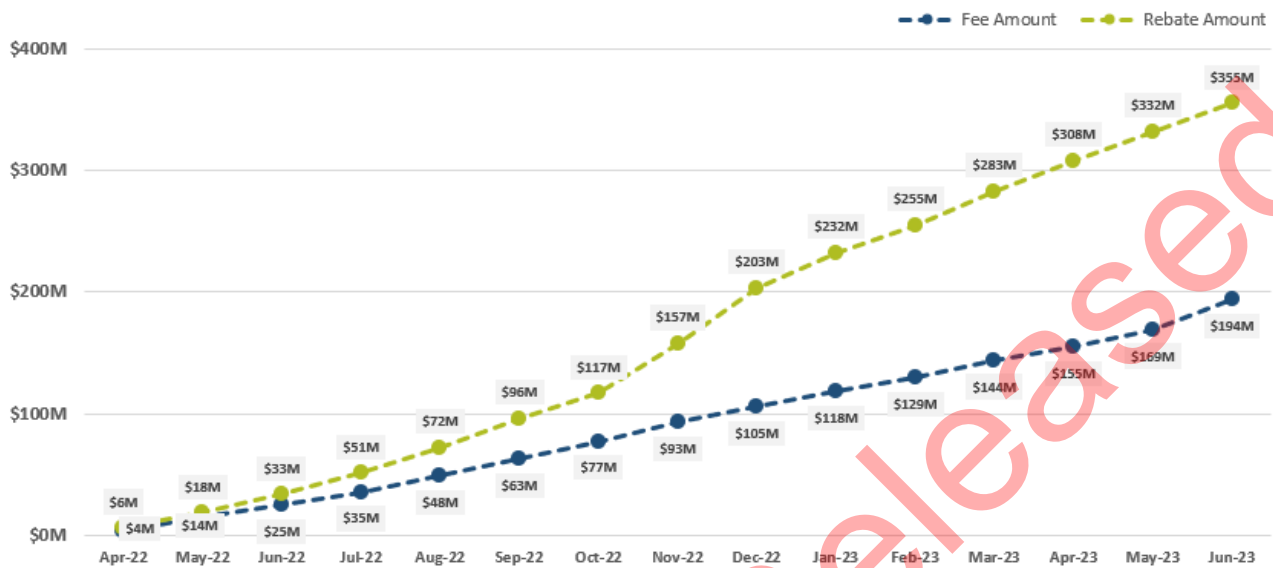
15. **Clean Car Discount Fees** - In total there has been \$194m fees received from 1 April 2022 to 30 June 2023.

Clean Car Discount Fee Monthly Receipts by Vehicle Type Trend



16. **Clean Car Discount Rebate and Fee Trend** – The following graph shows the rebate vs fee trends for the expanded Clean Car Discount scheme.

Clean Car Discount Rebate vs Fee Trend from 1 April 2022



Summary

17. The expanded Clean Car Discount has now been in operation for over a year with fees and rebates based on CO₂ emissions. Rebates paid to low and zero emitting vehicles continue to outpace the fees received from higher emitting vehicles. The effects of the changes to fees and rebates introduced on 1 July 2023 will take time to embed.

It is recommended that you:

1. **Note** the contents of this briefing



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Tracy Leighton

Head of Customer Operations

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Hon David Parker, Minister of Transport

Date: 2023

Proactively Released

Appendix A

Clean Car Discount Applications by Region

Region	Clean Car Discount Rebate Application	Percentage (%)
AUCKLAND REGION	64,808	49.8%
CANTERBURY REGION	18,227	14.0%
WELLINGTON REGION	12,369	9.5%
WAIKATO REGION	9,281	7.1%
BAY OF PLENTY REGION	5,796	4.5%
MANAWATU-WHANGANUI REGION	3,862	3.0%
OTAGO REGION	3,786	2.9%
HAWKE'S BAY REGION	2,576	2.0%
NORTHLAND REGION	2,405	1.8%
TARANAKI REGION	1,869	1.4%
SOUTHLAND REGION	1,181	0.9%
NELSON REGION	1,130	0.9%
TASMAN REGION	938	0.7%
MARLBOROUGH REGION	592	0.5%
WEST COAST REGION	398	0.3%
GISBORNE REGION	371	0.3%
UNKNOWN REGION	439	0.3%
Total	130,028	100.0%