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OPPORTUNITY

Climate Resilient Aotearoa

The decisions we make this decade will impact generations to come.

Climate change is not a distant threat – it is reshaping New Zealand's weather, coastlines, farms, and infrastructure. It is both a moral duty and an economic necessity to act: cutting emissions at the source, preparing communities for the disruption already locked in, and building enduring institutions that will hold governments to account across political cycles.

In 2019 New Zealand showed what is possible when climate leadership rises above party politics. Through sustained cooperation across left and right parties, Parliament forged the broad consensus behind the Zero Carbon Act: establishing enduring emissions targets, carbon budgets and an independent Climate Change Commission. Its near-unanimous passage demonstrated that compromise is not weakness: it is how a small democracy creates the certainty needed for households, businesses and communities to plan for the future.

New Zealand must regain that commitment to concerted action. Climate policy cannot be rewritten after every election or reduced to a contest between denial and disruption; it must be ambitious, practical, fair and durable. We will work across political lines to restore a shared national direction that cuts emissions efficiently, strengthens resilience and gives every New Zealander confidence that the transition will be managed competently and fairly.

1. Cut emissions and everyday costs. Together.

For too long, climate policy has been framed as a choice between reducing emissions and protecting living standards. Opportunity rejects that false trade-off. New Zealand's path to a low carbon, climate resilient future should be built around making households and businesses more efficient, more resilient, and less exposed to volatile fossil fuel prices.

Homes

Electrifying our homes is not only a huge opportunity to reduce emissions but to reduce electricity bills and improve health outcomes too.

- Ensure all rental properties comply with the Healthy Homes Standards and update them to provide all residential tenants a right to charge EVs.
- Require all new builds to be wired to accommodate EV charging and solar.
- Allow building energy improvements (e.g. efficiency measures, rooftop solar and batteries, two-way smart EV chargers) to be written off against tax.
- Adopt low-interest electrification loans as part of a national Ratepayer Assistance Scheme administered by local government - as referenced in our Abundant Energy policy.

Transport

Incentivising electrification of personal vehicles and public transport fleets drives more investment in renewable energy generation and makes us less reliant on foreign fossil fuels from a volatile global market.

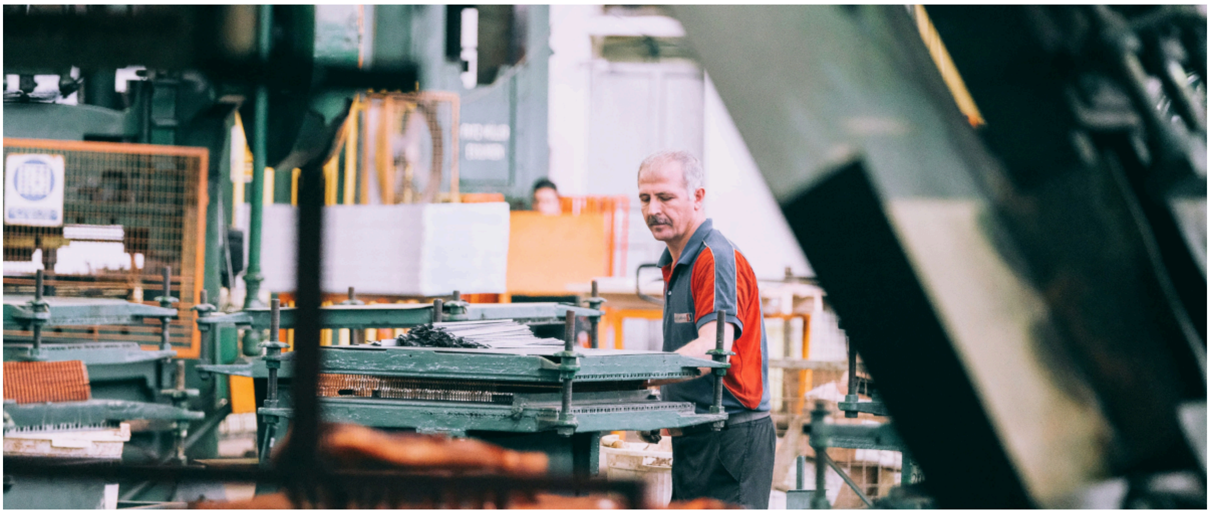
- Remove fringe benefit tax and accelerate depreciation for electric vehicles to accelerate the transition to an energy efficient fleet so that more new EVs enter the country.
- Introduce sinking-lid tailpipe emissions standards for all newly imported vehicles.
- Electrify the urban bus fleet by 2030.
- Replace the public sector vehicle fleet with EVs (and hybrids, where justified) as vehicles come up for renewal.

Industry

New Zealand businesses are acutely exposed to volatile international fossil fuel markets and geopolitical shocks. Replacing coal and gas with renewable electricity and other domestically produced low-emissions energy will strengthen energy security, reduce price shocks, keep more investment in New Zealand, and give businesses more predictable long-term costs.

Opportunity will:

- Establish the Industry Energy Resilience Fund (IERF) to support industrial decarbonisation, funded by a green bond raised against future ETS auction revenue.
- The IERF will support businesses to transition away from fossil fuels by funding the upfront capital for new equipment, grid connections or network upgrades. It will use a range of financial instruments including concessional loans, energy savings guarantees and loan underwriting, with grants reserved for targeted uses.
- Reverse the 2025 decision that cut the number of entities required to undertake climate reporting from 164 to 76 and removed directors' liability, and expand the Ministry for the Environment's Measuring Emissions Catalogue into a free national dataset so small suppliers are not charged twice for the same data.



Agriculture

New Zealand's prosperity depends on maintaining access to premium global markets. Increasingly, our markets and customers require credible farm data and emissions information, and evidence of continuous improvement. Reductions in agricultural emissions are possible, affordable and in the interests of our farmers and producers to meet global demands.

Opportunity will:

- reward farmers for maintaining and enhancing biodiversity, wetlands, native vegetation, riparian planting and other ecosystem services. See our Healthy Land policy for more.

- continue investment in agricultural science, technology development and commercialisation as part of a thriving science sector. See our [Breakthrough Economy policy for more.]
- explore a cap-and-trade market or levy structure for reducing the annual flow rate of biogenic methane into the atmosphere in line with five year emissions budgets and long-term targets.
- invite proposals for market-based systems for reducing nitrous oxide emissions into the atmosphere.

2. Build our national climate resilience

Climate adaptation – planning for the disruption already locked in – is not optional. Adaptation means getting ahead of damage instead of paying for it twice: first in disaster clean-ups, then in higher insurance, higher rates, and broken infrastructure.

We are already seeing the early stages of insurance retreat: when insurers raise premiums, restrict cover, or withdraw entirely from high-risk areas. This is not just an insurance issue. It is a housing and infrastructure issue, a fairness issue, and a national economic issue.

Resilient governance

Climate risk is harder to manage when information and responsibilities are unclear and when we're always on the back foot. Clear rules, trusted institutions and consistent risk information will help communities, councils, iwi, insurers, banks and businesses understand risks and act early.

Opportunity will:

- support passage of elements of the Climate Change Response Amendment Bill that establish responsibility for local bodies to plan for the impacts of climate change.
- extend the role of the Natural Hazards Commission to include assessing national climate risk, recommending adaptation targets, coordinating open hazard data for councils and iwi and hapu, triggering out-of-cycle updates of the national adaptation plan, and working with homeowners, councils, insurers and banks to identify highly vulnerable homes and funding resilience works or, as a last resort, relocation.
- create a National Insurance Support Framework with national rules for identifying and managing insurance retreat, transparent forward-looking risk assessments for

homeowners, and a fair cost-sharing model between central government, local government, insurers, and property owners.

Resilient infrastructure

Climate adaptation is a national challenge that cannot be left to councils, communities and households with vastly different resources and exposure to risk. Central government must invest directly to coordinate action across critical infrastructure, share costs fairly and fund prevention before disaster strikes, rather than repeatedly paying for recovery afterwards.

Opportunity will:

- fund adaptation efforts with a $5b Climate Resilience Fund (see the Intergenerational Infrastructure policy). $500m of the Climate Resilience Fund will be co-invested in nature-based solutions to reduce emissions and make communities more resilient to the effects of climate change.
- resource community-led resilience programmes through marae and community groups, prioritising high-risk and low-income areas.
- require roads, bridges, rail, ports, and water systems to be designed (and when necessary, built back better) to accommodate heavier rainfall and flooding; upgrade or underground electricity networks; and, ensure water systems are resilient to both drought and intense storms.

Resilient businesses

Ensuring businesses are aware of, and prepared for, climate-related risks means they will be more resilient in the face of change, causing less disruption to their operations and to the broader economy.

Opportunity will:

- support businesses to assess likely impacts (incremental, and major events) of climate change.
- improve the resilience of our farmers by strengthening biosecurity systems for climate-driven pest and disease risks; investing in rural water storage, shade infrastructure, and heat-stress mitigation for livestock; backing research into drought-tolerant crops, efficient irrigation, and regenerative land management; and, supporting the rewetting of peatlands and restoration of wetlands – critical,

high-impact nature-based solutions that act simultaneously as carbon sinks and as natural flood and drought buffers.

- ask the Reserve Bank to build on its climate stress-testing of banks by monitoring the risks of mortgage lending exposed to flood and coastal hazard and insurance retreat, and on commercial lending exposed to a rising carbon price.
- require transparent climate-risk disclosure for new developments, mortgages, and insurance products so that buyers, banks, and investors can make informed decisions and property markets are not destabilised by sudden shocks.

3. Lock in a long-term climate action plan

New Zealand needs a durable, credible climate framework that gives households, farmers and businesses confidence to invest, while ensuring we meet our emissions targets at the lowest possible cost. Opportunity will work to build political consensus around the core architecture of climate policy, because businesses and households cannot plan for the future when the rules change with every change of government.

Fix the Emissions Trading Scheme

Allowing carbon prices to be lower than they should be and giving free credits for large industrial emitters mean the Emission Trading Scheme has delivered little real pressure to change. Governments have also leaned on exotic pine plantation offsets: a strategy that locks up productive land, harms biodiversity, and clogs waterways.

A well-functioning carbon price signal will influence strategic investment decisions that will help us transition to a low carbon economy.

Opportunity will:

- restore the integrity and impact of the ETS by implementing changes that create a rising price path to drive decarbonisation across the economy and shift incentives to reduce emissions at the source instead of relying primarily on removals.
- give the Climate Change Commission the power to decide annual ETS unit supply settings, minimum NZU auction clearing prices, and cost-containment reserve thresholds.
- build on the Assessment Framework for Carbon Removals released in November 2025 by developing a removals system that recognises nature-based carbon sinks such as coastal and land-based native vegetation including wetlands.
- refine the forestry settings in the ETS to reduce forestry slash and forestry-sourced sedimentation risk.
- increase the rate for the existing phase down of emissions-intensive trade-exposed free unit allocations to arrive at zero before 2050, with an option for current holders of free allocation to 'cash in' a portion to pay for capital expenditure to transition off fossil fuels.
- implement a carbon border adjustment levy on imported cement in return for the removal of free unit allocations and other subsidies from domestic cement production.

Credible emission targets and budgets

Emissions targets define where New Zealand must get to, while emissions budgets turn that long-term destination into measurable, achievable steps. Together, they hold governments accountable and give households, businesses and investors the certainty needed to plan and invest with confidence. To remain credible and effective, our domestic budgets, international commitments and policies must form one coherent pathway.

Opportunity will:

- restore the link between our Nationally Determined Contribution and the Paris Agreement 1.5 degrees goal and our national emissions budgets.
- develop a plan to meet New Zealand's Nationally Determined Contributions and record the cost as a liability on the Crown balance sheet.
- implement the Climate Change Commission's advice on amendments to the 2050 emissions reductions targets, including international aviation and shipping emissions.

OPPORTUNITY

Climate Resilient Aotearoa — Frequently Asked Questions

What is your position on oil and gas exploration?

Given the rapid expansion of cheap renewable energy and increasing pressure to transition away from fossil fuel extraction globally, prospective investments in new offshore oil and gas developments are now so unattractive that few institutional investors are willing to countenance them. Our focus is on ending the Gas Security Fund that artificially subsidises exploration activities.

We consider a reinstatement of the ban on offshore oil and gas exploration is probably unnecessary. However, for the purpose of clarity, Opportunity would not oppose a reinstatement of the ban on offshore oil and gas exploration should a future governing party seek to progress it.

Will you reverse the Climate Change Response (Tort Liability) Amendment Act?

Yes. Tort law exists precisely because Parliament cannot foresee every new form of harm and to stop a case currently going through the courts raises rule-of-law and access-to-justice questions.

What methane reduction level does Opportunity Support?

In December 2025 the Government cut the 2050 methane target from 24 to 47% below 2017 levels to 14 to 24% below. Opportunity will restore a science-based target of at least 35 to 47%, as the Climate Change Commission advised, and will back farmers to get there with proven technology, ecosystem payments and a pricing mechanism that starts only when the tools exist.