

24 May 2017

Position statement

Government ignores opportunities to avoid squandering \$14billion

The Bioenergy Association says it's disappointed the Government is not recognising that by investment in bioenergy and other renewable energy opportunities within New Zealand that it can avoid squandering \$14billion to overseas countries to meet our climate change obligations.

Bioenergy Association Chair Grant Smith is asking Government to create a working group involving all the renewable energy organisations to investigate the opportunities for reducing greenhouse gas emissions so that we can meet our Paris Targets. Last year 22 renewable energy related associations came together and showed how much greenhouse gas emissions reduction could be achieved at what appears to be minor investment cost.

"Government should be sitting down with renewable organisations as a group and discussing how we can deliver the highest value options and ensure the economy and society benefits across all measures - not just cost. This should be done before they start paying any of that \$14billion."

"Buying carbon credits offshore will only give tax payer money away when it could be used to help business and local government to reduce greenhouse gas emissions. These reductions are permanent whereas buying international carbon units are an on-going payment until we reduce the emissions. Spending the money now avoids an ongoing commitment. We should be taking advantage of low-cost opportunities to reduce our carbon emissions here in New Zealand by increasing our use of bioenergy, particularly in the heat sector."

"The Bioenergy Association would like to see the Government explore these opportunities, as have the UK with its [Renewable Heat Incentive](#), and Australia with its [Emissions Reduction Fund](#)."

Mr Smith says the Government should see climate change targets as an opportunity for New Zealand business and the economy, not a cost.

"Bioenergy has the potential to add revenue of \$6 billion to the country's economy, and to create jobs and economic growth – particularly in the regions.

"In the short term, we'd like the Government to encourage the heat market to use wood fuel, farmers to process farm waste to produce bioenergy and local authorities to use organic waste for heating and transport fuel instead of dumping it in landfills.

"Such leadership would show other potential users the viability of bioenergy and support expansion of the wood fuel and biogas markets. Our bioenergy opportunities are based on well-proven technology, so don't require further research or exploration. What we need is Government support to speed up growth of the market. We would like the opportunity to sit down with Government to discuss what can be done if we work collectively"

Mr Smith says there are many economically viable niche bioenergy opportunities. “With Government support and near zero cost, the number of opportunities could increase considerably, using New Zealand’s good supply of renewable natural resources to achieve significant economic, employment and environmental benefits.”

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About the New Zealand Bioenergy Association

The Bioenergy Association helps its members to develop and grow their bioenergy businesses, raises awareness of the benefits of bioenergy and provides the latest information about the bioenergy sector, both in New Zealand and internationally.

Its Vision is for 25 percent of New Zealand’s consumer energy supply to be from bioenergy, including 30 percent of the country’s transport fuels, by around 2040.

For more information about the potential economic benefit of this Vision see the [BERL analysis](#) of the [New Zealand Bioenergy Strategy 2010](#).