

Submission to the Ministry for the Environment**Amendment to New Zealand's Second Emissions Reduction Plan (ERP2) 2026–30**

On behalf of the **Bioenergy Association**

Contact: Brian Cox

Brian.cox@bioenergy.org.nz

0274771048

Introduction

The Bioenergy Association of New Zealand welcomes the opportunity to provide feedback on the proposed amendment to ERP2. Solid biofuels, biogas, and anaerobic digestion technologies represent proven, scalable solutions that can reduce agricultural emissions, enhance energy security, and support New Zealand's transition to a low-emissions economy. Use of these technologies and practices can potentially also reduce farmer's on-farm energy costs and can be sources of revenue contributing to business risk reduction.

Solid and gaseous biofuels are produced from wood and agricultural crop material produced on farms, generally as a residue from primary product production. This material used as a feedstock for renewable energy production, on the farm or external to it, is an opportunity for farmers to off-set animal emissions and provide a diversified revenue stream.

Our submission addresses the four consultation questions from the perspective of the bioenergy sector.

Question 1: Other impacts or consequences of the revised approach to reducing agricultural emissions

- The decision not to introduce on-farm emissions pricing by 2030 creates both risks and opportunities, but principally a loss of opportunities for farmers.
- Without a clear price signal, uptake of mitigation technologies by reliance on the NZ ETS is slower unless complementary incentives are strengthened.
- However, a market and technology-led approach aligns well with bioenergy solutions, which can deliver emissions reductions while generating co-benefits such as renewable energy, improved nutrient management, and reduced energy costs.
- Anaerobic digestion of agricultural residues (e.g., manure, crop waste) reduces methane emissions at source and produces biogas for energy use, thereby contributing to both emissions budgets and energy resilience.
- The use of trees on farms can be a tool for emissions reduction as well as providing an additional revenue stream from sale of harvest residues. Trees on farms can also protect from soil erosion, improve land use and contribute to the long term sustainable management of farm operations.
- A potential consequence of the revision of the ERP is under-recognition of bioenergy's role compared to other mitigation technologies. Explicit inclusion of bioenergy pathways in ERP2 would ensure balanced progress across sectors.

Question 2: Actions the Government could consider to further support a market- and technology-led approach

- Establish targeted incentives for anaerobic digestion and biogas projects, such as capital grants, low-interest loans, or the creation of renewable energy certificates for renewable gas.
- Establish targeted incentives for the recovery of biomass residues from farms such as creation of a co-operative model for economies of scale, assistance to establish best practice for design of integrated trees on farms, and promotion of a “wood first” policy to increase use of wood in buildings to increase the supply of wood residues.
- Support development of regional bioenergy hubs to aggregate agricultural residues and enable economies of scale.
- Expand research and demonstration funding to accelerate deployment of anaerobic digestion technologies adapted to New Zealand’s pasture-based systems.
- Facilitate regulatory frameworks for renewable gas injection into the natural gas grid, ensuring biogas can displace fossil fuels.
- Provide clear guidance and streamlined consenting processes for farm-scale bioenergy projects.
- Encourage partnerships between farmers, energy companies, and local authorities to integrate bioenergy into regional climate strategies.

Question 3: Supporting Māori to reduce agricultural emissions

- Māori agribusinesses hold significant land and agricultural assets, and bioenergy offers opportunities for both emissions reduction and economic development.
- Government could support Māori enterprises by:
 - Funding capacity-building programmes to develop expertise in bioenergy and anaerobic digestion.
 - Supporting co-investment models that enable Māori landowners to participate in bioenergy projects without disproportionate financial risk.
 - Ensuring equitable access to infrastructure for renewable gas production and distribution.
 - Recognising the alignment between bioenergy solutions and Māori values of kaitiakitanga (guardianship of land and resources), as bioenergy reduces waste and enhances sustainability.
- Tailored support would ensure Māori agribusinesses benefit from the transition while contributing to national emissions reduction goals.

Question 4: Views on ERP2 with the revised approach to reducing agricultural emissions

- Bioenergy Association stresses the need for explicit recognition of bioenergy as a key mitigation pathway and the need to assist farmers adopt best practices and opportunities.
- ERP2 should integrate bioenergy solutions alongside other agricultural technologies, ensuring a diversified portfolio of options.
- Bioenergy contributes not only to methane reduction and the supply of renewable energy to avoid use of fossil fuels but also to extend energy security, circular economy outcomes, and regional development.
- Without effective realistic pricing mechanisms, ERP2 must strengthen complementary measures to ensure uptake of bioenergy technologies is accelerated.
- Bioenergy Association recommends that ERP2 explicitly include targets for renewable gas production and utilisation, and for solid biofuels supply aligned with emissions budgets and the 2050 net zero target.

Conclusion

Bioenergy, biogas, and anaerobic digestion are mature, scalable technologies that can deliver significant emissions reductions in agriculture while providing renewable energy and economic co-benefits. The Bioenergy Association urges the Government to integrate bioenergy pathways explicitly into ERP2, ensuring that the revised approach achieves both emissions reduction and broader sustainability outcomes.
