Imported Motor Vehicle Industry Association

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Imported Motor Vehicle Industry Association

No Regrets, Only Results: VIA's Case for a More Equitable Emissions Framework

About VIA

The Imported Motor Vehicle Industry Association Incorporated ("VIA") is the business association that represents the interests of the wider trade involved in importing, preparing, wholesaling, and retailing used vehicles imported from Japan, UK, and other jurisdictions.

Our members include importers, wholesalers, Japanese auction companies and exporters, shipping companies, inspection agencies, KSDPs[1], ports companies, compliance shops and service providers to the trade, as well as retailers.

We provide technical advice to the imported motor vehicle industry, and liaise closely with the relevant government departments, including Waka Kotahi (NZTA), Ministry of Transport, New Zealand Customs Service, Ministry for Primary Industries (MPI), Ministry of Consumer Affairs, Commerce Commission, EECA, MfE etc.

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Official Information Act 1982: VIA has no objection to the release of any part of this statement of support under the Official Information Act 1982.

Privacy Act 1993: VIA has no objection to being identified as the submitter.

[1] KSDP - key service delivery partner, organisations that are contracted or appointed by the Transport Agency to delivery regulatory products or services and who have sufficient market share and/or are of sufficient size and standing within an industry segment to be able to represent and influence the customer expectation of that industry segment.

Executive Summary

New Zealand is tightening its vehicle emissions rules to improve air quality, protect public health, and ensure that imported vehicles reflect modern environmental expectations. These goals are sound and widely supported.

To implement them, the government has introduced a new emissions framework that aligns imported vehicles—especially used ones—with European standards such as Euro 5 and Euro 6d. Because most used vehicles entering New Zealand are from Japan, the framework must determine which Japanese-certified vehicles are "equivalent" to their European counterparts.

However, the current equivalency settings are radically misaligned in performance. Rather than focusing on what vehicles actually emit, the framework relies heavily on testing format—that is, how and where a vehicle was certified—while misinterpreting Japan's verified achievement codes, which quantify emissions overperformance. As a result, many low-emission vehicles are being excluded, even when they perform better in real-world safety and environmental terms.

The framework:

- Prioritises test procedure format over safety and environmental outcomes;
- Treats verified overperformance under Japanese certification as insufficient if it does not follow a preferred format;
- Relies on weak, unfounded, or undocumented statistical conversions between systems;
- Fails to model real-world health harm.
- Fails to assess the economic impact of constraining used vehicle supply.

These choices are already affecting the market. Small Japanese petrol hybrids and commercial vans—among the cleanest and most affordable vehicles available—are increasingly excluded. Costs are rising, supply is tightening, and rural and lower-income households are being disproportionately affected.

The greater danger lies in 2028, when used imports will be required to meet what the government has declared as Euro 6d-equivalent standards. Under the current framework, this will:

- Exclude the vast majority of affordable used petrol and hybrid vehicles from Japan;
- Reduce the available stock to only a narrow range of expensive late-model vehicles;

- Create long-term shortages in affordable low-emission vehicles;
- Put sustained pressure on prices and reduce transport access for many New Zealanders.

These risks are not speculative: used import volumes have already dropped 25% since 2023, and the compounding effects of this framework and the Clean Car Standard are pushing the sector toward long-term decline.

VIA proposes a practical solution: redraw the equivalency alignments to better reflect real-world emissions outcomes. Japan's achievement codes (such as Cxx, Dxx, 4xx, etc.) represent certified reductions in pollutants like NO_x and PM. When assessed against health-based impact metrics, many of these vehicles meet or exceed the harm performance of Euro 5 or Euro 6d models.

This can be done within the current regulatory structure. A better-aligned framework would:

- Improve the scientific integrity of equivalency decisions;
- Recognise actual emissions performance, not just test format;
- Preserve access to low-emission vehicles for New Zealand households;
- Avoid unnecessary supply disruptions and price shocks.

New Zealand has an opportunity to lead with a smart, fair, and evidence-based approach—one that protects both public health and equitable access to clean vehicles. A targeted review of the current framework is not just reasonable—it is urgently needed.

VIA stands ready to assist, offering data, technical input, and collaboration to help ensure that future policy truly delivers on its environmental and social goals.

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1.0 The Fault Line: Format vs Harm

New Zealand's current vehicle emissions eligibility framework rests on a foundational misassumption: that certification format is a reliable proxy for real-world environmental harm. It is not. By using generation-based certification and test formats—such as Euro 5 or 6—as the primary basis for determining whether a vehicle is eligible for import, current policy enforces arbitrary boundaries that exclude some of the cleanest vehicles in the fleet. This approach risks undermining the government's own stated objectives: environmental performance, scientific integrity, and equitable access to low-emission vehicles.

This section outlines why format is an inadequate basis for emissions regulation. It introduces the key structural differences between the European and Japanese emissions regimes, clarifies how emissions data is actually produced and interpreted, and sets the stage for a shift toward a harm-based regulatory model grounded in measurable outcomes rather than certification shorthand.

1.1 Format Is Not Harm

The divergence between the European and Japanese emissions frameworks is not merely a matter of test cycles or measurement units. It is a structural difference in how each system defines and recognises environmental performance. Europe's emissions standards operate diachronically. Each successive Euro level (e.g., Euro 5, Euro 6a, 6b, 6c, 6d) marks a new mandatory baseline. There is no formal recognition of overachievement within each level; a vehicle either meets the prescribed limit or it does not. Vehicles that significantly outperform the standard are not rewarded or even distinguished from those that barely comply.

By contrast, the Japanese system is synchronic. When a base standard such as Japan 2005 or Japan 2018 is introduced, it immediately enables tiered certification at multiple levels of overperformance. These are codified through achievement codes—Cxx, Dxx, 4xx, 5xx, 6xx—which represent percentage reductions below regulatory thresholds for pollutants such as nitrogen oxides (NO_x)). These achievement levels are not arbitrary; they are assigned per vehicle based on verifiable test results.

This structural difference is not cosmetic. It has material consequences. In the European regime, a Euro 5 vehicle might emit significantly less than the threshold—but this is invisible in the certification. In the Japanese regime, a vehicle's achievement code explicitly denotes its environmental performance. This allows for more granular regulation and better alignment with public health goals.

The difference in structure also reflects differing environmental priorities. Europe, particularly in the 2000s and 2010s, placed a heavy emphasis on carbon dioxide reduction, which contributed to the widespread adoption of diesel vehicles. Japan, facing high urban population densities and persistent air quality challenges in urban

canyons, prioritised reductions in NO_x and PM. This led to policies and technologies that favoured small petrol hybrids and advanced emissions-control systems. In adopting format-based rules that privilege European-style certification, New Zealand's policy framework implicitly favours vehicles optimised for European objectives—particularly diesels and heavier models—while excluding Japanese petrol hybrids that may in fact deliver superior real-world emissions outcomes in New Zealand conditions.

1.2 Understanding the Data: Lab Tests, Real Roads, and the Wrong Proxy

A more defensible policy approach requires a clear understanding of how emissions data is generated and interpreted. All vehicles must undergo laboratory-based testing to receive emissions certification. In Japan, these include the JC08 and WLTC cycles; in Europe, the equivalent tests are NEDC and WLTP. Certification results are used to establish legal compliance.

In the Japanese system, achievement codes provide a direct translation of lab-tested emissions reductions into vehicle-specific certification data. For instance, a vehicle certified at Dxx is confirmed to emit 75% less NO_x and other noxious emissions than the Japan 2005 baseline. These figures are neither theoretical nor estimated—they are recorded as part of the unique identifier of the vehicle, effect tax rates within Japan, and are later included on export documentation when the vehicle leaves Japan.

The challenge, however, lies in translating lab results into real-world expectations. The International Council on Clean Transportation (ICCT) and other experts in vehicle emissions have documented the "lab-to-road gap"—the phenomenon whereby real-world emissions often exceed laboratory values. This gap has been especially problematic for Euro 5 and early Euro 6 diesels, many of which emit far more NO_x in use than they do under test conditions.

Despite these well-known limitations, New Zealand's current emissions policy relies on an inconsistent and informal mapping methodology that applies broad assumptions about test format stringency—most notably, an implied assertion that European test cycles and standards are "the gold standard" and the test cycles used by Japanese standards are inferior. Not only does this lead to unwarranted mapping between European and Japanese standards, but even in the Japanese standards, WLTC is seen as approximately "twice as strict" as JC08 (because WLTC is seen as an attempt to harmonise with the European WLTP, so given greater preference). This multiplier is used to justify treating JC08-certified vehicles as inferior, even when they demonstrate objectively higher pollutant reductions. Crucially, this approach makes unfounded assumptions about achievement codes and fails to account fairly for differences in drive cycles, vehicle types, or fuel technologies.

Evidence from the existing New Zealand fleet further undermines the validity of using format as a proxy for harm. Vehicles with Dxx and 4xx codes—often small Japanese

hybrids—emit demonstrably lower levels of NO_x and PM in real-world use than new diesels admitted under Euro 6d. Yet, these cleaner vehicles are scheduled to be phased out under current policy while more harmful ones remain eligible solely due to certification format.

1.3 From Equivalency to Acceptability: A Better Framework

The notion of "equivalency" suggests that emissions standards from different jurisdictions can be mathematically mapped onto each other. But this misunderstands the nature of those standards. European and Japanese systems were developed independently, shaped by different health priorities, technological pathways, and regulatory cultures. Their certification structures are not designed to be converted—only to meet domestic goals.

Rather than attempting to force structural alignment between fundamentally different systems, New Zealand should adopt an acceptability framework based on real-world harm. The central question should not be: “Is this certification format equivalent to Euro 6d?” Instead, it should be: “Does this vehicle emit pollutants at levels acceptable under our public health thresholds?”

By reframing the policy in terms of harm acceptability rather than format equivalency, New Zealand can achieve multiple outcomes: it can recognise high-performing vehicles from any jurisdiction; maintain supply from Japan—our primary source of used, low-emission vehicles; and leverage emissions data we already collect, such as achievement codes and Rightcar ratings. This approach would avoid artificial format constraints that distort supply, suppress cleaner options, and confuse the public.

Conclusion: Why Format Is a False Proxy

New Zealand’s reliance on certification format as the gateway to vehicle eligibility represents a profound category error. It ignores the structure of Japanese emissions codes, misapplies equivalency between distinct regulatory systems, and excludes cleaner vehicles while admitting more harmful ones. In doing so, it compromises the integrity of emissions policy, constrains consumer choice, and undermines environmental and economic justice.

A harm-based acceptability model—rooted in real emissions outcomes and backed by verifiable data—is not only scientifically sound but practically achievable. It aligns with New Zealand’s values, strengthens regulatory defensibility, and ensures that the vehicles we admit into the fleet are those that cause the least harm, regardless of the labels they carry.

The following section examines how the government’s internal mapping spreadsheet operationalises this flawed logic—and why that approach fails to withstand analytical scrutiny.

2.0 The Government's Mapping Contradiction and Analytic Failure

At the heart of New Zealand's emissions eligibility regime lies a singular, unpublished document—a spreadsheet that purports to develop a methodology to convert Japanese achievement codes into approximate Euro-standard equivalents. This spreadsheet, compiled internally by government officials and only disclosed following ministerial intervention, is now used to determine which used vehicles qualify for import the Emissions Rule. Despite its policy-critical role, the spreadsheet is methodologically incoherent, analytically opaque, and demonstrably flawed in its reasoning.

Rather than providing a scientifically defensible foundation for cross-jurisdictional emissions regulation, the spreadsheet starts with clear biases, misapplies correlation logic, relies on unvalidated multipliers, and contradicts both real-world data and the government's own consumer guidance tools. It fails not only as a technical artefact but as a policy instrument—undermining the credibility, consistency, and fairness of the emissions framework it is intended to support.

2.1 Absence of Methodology and Metadata

One of the most basic failings of the spreadsheet is procedural. It lacks the essential components of any legitimate regulatory analysis: there is no stated methodology, no documentation of the assumptions applied, no metadata about the vehicle sample, and no version history to track revisions. Even the source of the underlying data—whether derived from manufacturers, international databases, or local testing—is unstated.

The spreadsheet contains no explanation of its core decision logic. For example, it maps Japanese Dxx codes (75% reduction under JC08) to Euro 5 while mapping 5xx/6xx (≥50% reduction under WLTC) to Euro 6d. This mapping is not explained or justified, and no information is provided on how these equivalencies were derived or whether adjustments were made for differences in test cycles, fuel type, or vehicle class.

There is no indication of which pollutants (NO_x, PM, CO, VOCs) were considered in the mapping process. The absence of any framing narrative leaves critical questions unanswered: How were vehicles selected? Were diesel and petrol variants weighted equally? If so, why and how is that fair? Were known weaknesses in EU standards considered such as adjustments for known underreporting issues in diesel lab testing?

This lack of analytical transparency is not a minor oversight—it is a foundational error that renders the entire tool unfit for policy application.

2.2 Misuse of Correlation as Equivalence

A central methodological error in the spreadsheet is the use of correlation between pollutant outputs under different test cycles—JC08 and WLTC—as a basis for regulatory equivalence. This approach is fundamentally flawed.

Correlation is a statistical relationship between two variables; it does not imply that one test protocol can be converted into another, nor does it validate the use of one test's outcomes to infer real-world performance under a different regime. Yet the spreadsheet implies that because some vehicles show a correlation between JC08 and WLTC outputs, this correlation can be extrapolated to define a consistent conversion factor between the two.

This logic ignores basic differences in test cycle design. JC08 is heavily urban-focused, with frequent stop-start intervals and short acceleration bursts. WLTC, in contrast, includes higher speeds and longer durations of moderate acceleration. Emissions such as NO_x and PM behave very differently across these conditions, particularly in diesel vehicles where cold-start behaviour and load conditions dramatically affect output.

The ICCT and Japan's MLIT both explicitly warn against conversions between these test cycles. The government is aware of this because they point to it as the primary methodological flaw in VIA's suggested harm-based comparison. Yet, they then proceed to make the same flaw by declaring (without evidence) WLTC as twice as strict is JC08. ICCT and MLIT specifically caution that pollutant behaviour is context-specific and that drive-cycle correlation cannot be used to define regulatory thresholds. The government's use of cross-cycle correlation thus constitutes a category error, conflating statistical association with regulatory interchangeability.

2.3 Arbitrary and Unvalidated Use of Multipliers

The spreadsheet's mapping logic is undermined by its use of unstated and internally inconsistent multipliers to reconcile different certification systems. As mentioned above, the spreadsheet implies a relative stringency ratio between JC08 and WLTC—but applies this ratio inconsistently, resulting in indefensible outcomes.

The government's methodology asserts that WLTC is twice as stringent as JC08. This claim is used to justify mapping Dxx vehicles—those certified as achieving a 75% reduction below Japan 2005 thresholds using JC08—to no more than Euro 5. Conversely, vehicles with a 50% reduction under WLTC (e.g. 5xx) are accepted as Euro 6d equivalents. The logic, explicitly or implicitly, rests on the notion that 75% of JC08 is less meaningful than 50% of WLTC.

Yet the spreadsheet itself contradicts this logic. In practice, it equates Dxx (75% JC08) with 4xx (only 25% WLTC)—effectively treating Dxx and 4xx as functionally interchangeable. This mapping implies that a 75% reduction under the older, "less stringent" test is no better than a 25% reduction under the newer one. But this contradicts the supposed 2:1 multiplier used to justify the broader Euro 5 vs 6d assignments elsewhere in the spreadsheet. If the 2:1 multiplier were applied consistently, then a 75% JC08 achievement (Dxx) should align with at least a 50% WLTC achievement (5xx), not a 25% one (4xx).

In other words, the spreadsheet simultaneously claims that JC08 is half as rigorous as WLTC and that a 75% JC08 result equals a 25% WLTC result. These claims cannot both be true. Either the multiplier logic is flawed, or the mapping is misapplied—or both.

Compounding the issue, no source is cited to support the assumed relationship between test cycles. The spreadsheet provides no justification, documentation, or methodology for this mapping. It fails to disclose whether pollutants were compared individually, whether engine technologies were controlled for, or whether performance across drive cycles was analysed at the vehicle level. There is also no adjustment for the well-documented issue of European specified vehicles significantly underreporting NO_x emissions under NEDC and WLTP, particularly in pre-RDE Euro 6 vehicles and post-RDE Euro 6 diesels.

The absence of pollutant-specific matching, the misuse of generalised multipliers, and the inconsistent treatment of achievement codes all point to a policy foundation based not on emissions outcomes, but on arbitrary format allegiance. This is not a scientifically sound equivalency framework—it is a logic of convenience, dressed in technical formality.

Or, more likely, it is logic simply used to justify a predetermined decision.

2.4 Conflict with Public-Facing Pollution Ratings

The internal contradictions in the government's spreadsheet are made starker by the inconsistency between regulatory eligibility decisions and New Zealand's own consumer guidance systems—particularly the NZTA-administered Rightcar platform. While policymakers continue to rely on test format as the primary determinant of vehicle eligibility, the public is presented with a different framework: the air pollution star rating system, which was developed by the authors of the HAPINZ report and reflects actual estimates of emissions harm on a per-vehicle basis.

This divergence is not academic. All Dxx-coded hybrids—vehicles that achieve a 75% reduction in noxious emissions under Japan's JC08 test—receive four-star air pollution ratings under Rightcar. These vehicles include models like the Toyota Aqua, Prius Alpha, and Honda Fit Hybrid, which are widely recognised for their low real-world emissions and urban suitability. They are already present in large numbers in New Zealand's fleet and are often among the most affordable low-emissions vehicles available to everyday consumers.

In contrast, newly accepted Euro 6d diesel vehicles—receive only one or two stars under the same Rightcar system. These vehicles are heavier and emit more NO_x and PM in real-world use. Yet under current policy, they will continue to be granted entry beyond 2028 by default on the basis of format alone while Dxx becomes ineligible.

This discrepancy reveals a serious disconnect between the emissions signals the public is told to trust and the rules that actually govern fleet composition. A consumer following Rightcar guidance might reasonably assume that a four-star hybrid is a cleaner and more responsible choice than a two-star diesel. But under the emissions eligibility framework, the former may be excluded while the latter is accepted. The inconsistency is not only confusing—it is materially harmful. It punishes informed consumer behaviour, disrupts importer incentives, and leads to perverse environmental outcomes.

Worse, it undermines regulatory defensibility. If the government's own pollution rating system identifies certain used imports as cleaner than accepted new OEM vehicles, then continued reliance on format-based exclusion becomes difficult to justify. The credibility of emissions regulation depends on internal coherence. If one branch of government promotes a harm-based public rating system while another enforces format-based eligibility rules that contradict those ratings, the result is policy incoherence and erosion of public trust.

This is more than a technical misalignment. It reflects a fundamental failure to anchor emissions policy in the outcomes it claims to prioritise. As New Zealand moves toward a more ambitious emissions framework, the gap between policy theory and policy practice must be closed—not widened.

2.5 Conclusion: A Tool Unfit for Purpose

The government's emissions mapping spreadsheet is not an evidence-based policy instrument. It lacks methodological transparency, misuses statistical tools, applies unjustified multipliers, and produces outcomes that contradict verified harm data. It excludes some of the cleanest vehicles in the market, while allowing in more harmful ones—purely based on format.

If the goal of emissions policy is to reduce environmental and public health harm, then no credible justification exists for continuing to rely on this tool. Policy must move beyond format and correlation, and instead evaluate vehicles based on pollutant-specific outcomes aligned with New Zealand's own harm models. Only then can emissions regulation meet its goals of fairness, integrity, and environmental stewardship.

3.0 Real-World Impacts: How the Policy Is Undermining Its Own Goals

The structural flaws outlined in the emissions eligibility framework—especially the misuse of format as a proxy for harm—are not merely conceptual. They are already producing real and measurable consequences across the transport sector, the vehicle import industry, and the lives of New Zealand households. These consequences include the exclusion of low-emissions vehicles, rising costs for consumers, distorted market behaviour, and a perverse reinforcement of harmful fleet characteristics.

Contradictions Between Stated Goals and Real Outcomes

❌ Excludes 3–4-star hybrids; permits 1–2-star Euro 6 diesels

❌ Reduces access to affordable low-emissions vehicles

❌ Shrinks the pool of eligible van and hybrid models

❌ Increases average emissions per dollar spent

❌ Shifts demand toward higher-emitting, format-compliant vehicles

Contrary to the framework's stated objectives—improving environmental outcomes, supporting fleet renewal, and enhancing equity—the policy is currently producing the opposite result. It is suppressing some of the cleanest vehicles in the market, exacerbating cost barriers for low-income households, and increasing New Zealand's exposure to higher-emitting, less efficient vehicle types.

3.1 Cleanest Imports Are Disappearing from the Market

One of the most immediate and damaging effects of the current emissions eligibility framework is the systematic removal of some of the cleanest vehicles from the used import stream. A prime example is the late-model Cxx-coded petrol vans from Japan—vehicles manufactured between approximately 2017 and 2021. These vans have long formed the backbone of New Zealand's commercial fleet, especially among tradespeople. They achieve a 50% reduction in noxious emissions compared to the baseline Japan 2005 standard, consistently receive three-star or better air pollution scores under NZTA's Rightcar system, and offer among the lowest fuel and maintenance costs of any commercial vehicle type in the market.

Despite these advantages, Cxx vans can no longer be imported—not because of any failure in environmental performance, but because their certification format does not match the narrowly defined equivalency rules. As a result, they are being replaced by older, higher-emitting diesel vans from as far back as 2010–2014—vehicles that are allowed under current rules despite poorer pollution outcomes and lower Rightcar scores. This shift reflects not market demand or environmental logic, but a regulatory structure that privileges format over function.

Looking ahead to 2028, the situation is set to worsen. Under current rules, Dxx, 3xx, and 4xx vehicles will all become ineligible. This includes 3xx and 4xx-coded vehicles introduced after 2018—many of which entered production around 2022 when Japan 2018 certification replaced Japan 2005 for new models. These are some of the cleanest petrol vans and compact passenger cars available in the global used market, and their exclusion will ensure that lower-emission options remain unavailable to New Zealand buyers.

Even more concerning is ***the pending exclusion of Dxx-coded hybrids***. These vehicles represent the majority of Japan's hybrid fleet produced between 2012 and 2022—including widely adopted models such as the Toyota Aqua, Prius Alpha, and Honda Fit Hybrid. They routinely achieve four-star Rightcar air pollution ratings, significantly outperforming many accepted alternatives (especially the two-star Euro 6d diesels that will be phased in at the same date). Yet, under current policy, these vehicles will soon be banned from import. The industry is modelling significant drops in volumes due to this change[1].

This is not a theoretical flaw or an unintended side effect. It is the direct outcome of a policy that excludes vehicles based on certification pathway, regardless of their actual emissions profile. No degree of technical excellence or consumer preference can overcome a framework that pre-emptively bars cleaner vehicles from entering the country due to format misalignment. Unless this approach is corrected, New Zealand will continue to disqualify some of the most environmentally and economically appropriate vehicles in the

Historic Double Standard: OEMs Got a Free Pass, Importers Face a 75% Penalty

For over a decade (from 2012 to 2024), new vehicles imported by OEMs under Japan 2005 regulations—without any overachievement code—were accepted as Euro 5 compliant. This meant that vehicles certified to Japan 2005 baseline (no reduction beyond legal minimums) were treated as equivalent to Euro 5 in New Zealand's emissions framework.

Now, independent importers are being told that even a 50% emissions reduction under the same Japan 2005 standard (Cxx code) is *not good enough* to qualify—even for Euro 5. This is not only inconsistent, it is indefensible and unconscionable.

Cxx-coded vehicles (50% cleaner than baseline) are half as harmful as the vehicles OEMs were allowed to bring in—and yet they are rejected under current policy. This contradiction reveals that the emissions policy is not anchored in harm reduction, but in format enforcement that unfairly favours the OEM supply chain.

[1] A drop in import volumes is not just a commercial consideration, it should also be a policy consideration as the reduction in fresh imports makes the refreshment of the existing fleet a slower process. It could even negatively impact the profile of the fleet (in age, emissions, affordability, etc).

global market—while admitting more harmful ones in their place.

3.2 Prices Are Rising for Clean, Affordable Vehicles

This reduction in supply is already contributing to affordability challenges. Japanese hybrids—particularly those with Dxx achievement codes—have historically been among the most accessible low-emissions options for working families, young drivers, and urban households. Their total cost of ownership is significantly lower than heavier vehicles, and their compact design makes them well suited for city driving and commutes.

But as these vehicles become the only remaining option (and as other regulations such as the CCS further shrinks supply), their prices are rising. Industry analysis shows a steady increase in the average retail price of used hybrids—by as much as 20% over a 12-month period in some segments—driven not by demand inflation but by regulatory constraint. Consumers are being forced to choose between paying more for fewer options, delaying their vehicle upgrade, or opting for older or higher-emitting alternatives that remain eligible under the flawed framework.

This outcome directly undermines equity goals. It makes it harder for lower-income New Zealanders to participate in the transition to cleaner vehicles and reinforces socioeconomic barriers to low-emissions access.

In 2028, we expect the limited supply of 5xx and 6xx vehicles to have an even more devastating effect on vehicle availability and therefore affordability.

3.3 Supply Is Tilting Toward Heavier, More Polluting Formats

In parallel with the suppression of clean hybrids, the policy is encouraging the importation of heavier, more harmful vehicles—especially diesel SUVs and utes certified under Euro 6d. We wish we could say that this change is unintentional, but we cannot see how it can be anything but intentional. These vehicles receive only one- or two-star Rightcar air pollution ratings and are known to underperform in real-world NO_x and PM output due to limitations and exemptions in WLTP testing and post-treatment technologies.

Nonetheless, these vehicles are currently accepted into the fleet by default and will continue beyond 2028, based solely on their certification format. As a result, new supply is increasingly skewed toward formats that comply on paper but contribute more significantly to urban air pollution, especially in cold-start and short-trip conditions typical of New Zealand's city environments.

This shift also carries long-term fleet implications. Beyond the increase in noxious emissions from driving, heavier vehicles impose greater wear on infrastructure, contribute more to road congestion, and tend to have higher embodied emissions due

to materials and manufacturing. The emissions policy, as currently implemented, is not curbing these trends—it is accelerating them.

3.4 A Feedback Loop of Declining Urban Air Quality

The regulatory shift is especially damaging in urban areas where air quality improvements are most needed. Older Japanese vehicles with naturally aspirated engines, such as those certified to Dxx, with their emphasis on NO_x and PM reduction, are designed to reduce exposure to localised pollutants that directly affect respiratory and cardiovascular health. These benefits are most pronounced in high-density environments, where vulnerable populations—children, the elderly, and those with pre-existing health conditions—are at greatest risk.

By excluding these vehicles, the policy is cutting off the very tools required to improve urban air quality. And because heavier diesels remain eligible, the net effect may be a deterioration of pollution exposure in city centres—even as emissions policy claims to be moving in the opposite direction.

This is not a temporary misalignment—it is a reversal of stated goals and an erosion of public health policy.

3.5 Loss of Trust in Regulatory Consistency and Intent

Finally, as briefly mentioned earlier, the disconnect between regulatory logic and environmental outcomes is beginning to erode public and industry trust. Consumers are told that Rightcar star ratings reflect the emissions profile of a vehicle and should guide their purchasing decisions. But the regulatory gatekeeping system accepts or rejects vehicles based on a completely different framework—one that will soon exclude four-star hybrids while admitting one- or two-star diesels.

Independent importers, compliance centres, and dealers are forced to navigate a regulatory environment that punishes vehicles with better performance data while rewarding those that align with a preferred format. The result is not only inefficiency, but the perception—well founded—that the system is structurally biased in favour of OEM supply chains.

This perception will only deepen as more consumers find their preferred, environmentally responsible choices priced out or made unavailable—not due to pollution, but due to incomprehensible and inconsistent spreadsheet logic.

4.0 A Harm-Based Alternative: A Better Method for Meeting New Zealand's Policy Objectives

New Zealand's current emissions policy aims to reduce harm, ensure equivalency across international standards, preserve supply and affordability, and base decisions

on scientific evidence. These are sound and commendable goals. However, the format-based mapping approach currently in use fails to meet them. It relies on assumed equivalency between certification regimes, unsupported multipliers, and test format lineage rather than verified emissions performance.

A harm-based framework offers a more scientifically credible, internally consistent, and outcome-aligned method. Rather than trying to match regulatory labels, it evaluates the actual environmental and health impact of vehicles—using the same tools, data sources, and cost metrics already embedded in New Zealand's policy environment.

VIA's harm model is not presented as the only option, nor as a complete solution. It is a transparent, adaptable, and defensible framework that demonstrates how emissions standards from any jurisdiction can be evaluated using a consistent methodology—one grounded in public health impact, not paperwork. It provides the missing evaluative structure that the current policy lacks and allows for better alignment with the government's own stated objectives.

4.1 How the Harm Model Works

The harm model integrates three foundational components:

A. HAPINZ 3.0: Health-Cost Anchors for Policy

The Health and Air Pollution in New Zealand (HAPINZ 3.0) study provides official government-endorsed cost estimates for key transport-related pollutants, including NO_x, $PM_{2.5}$, CO, and VOCs. These dollar-per-tonne figures reflect real impacts on mortality, respiratory illness, hospital admissions, and lost productivity. They are already used by NZTA, the Ministry of Transport, and the Ministry for the Environment for evaluating infrastructure and urban development projects. Integrating these into vehicle eligibility policy enables consistent application of the government's own harm valuation tools.

B. Achievement Codes and Regulatory Structures

The model accepts any emissions regime—Japanese, European, or otherwise—that defines a baseline standard and includes quantifiable levels of overachievement. For example:

- **Japan's system** certifies achievement levels synchronically. Vehicles can be certified as meeting progressively higher thresholds (Cxx, Dxx, 4xx, 5xx) at the time of testing, providing pollutant-specific reductions in NO_x and PM verified by MLIT.
- **European standards** implement overachievement diachronically. Each new stage (e.g. Euro 6a through 6d) tightens the limits for pollutants, representing measurable progress over the baseline Euro 6.

Both structures offer valid data for evaluating environmental performance—one through contemporaneous certification, the other through staged enforcement. A harm-based model can accommodate either by translating verified pollutant outputs into per-kilometre harm.

C. Real-World Correction Factors: Next-Step Integration

It is well established that laboratory test cycles often understate real-world emissions—particularly for diesel vehicles and during urban driving. While the International Council on Clean Transportation (ICCT) has developed correction factors for CO_2 emissions across certification formats (e.g. JC08, WLTC, NEDC, WLTP), equivalent corrections for NO_x, $PM_{2.5}$, and other pollutants remain underdeveloped.

Nonetheless, the ICCT's methodological framework provides a robust proof of concept. It demonstrates how empirical adjustment factors can be derived from test cycle dynamics, vehicle subclass, and real-world performance data. VIA's harm model proposes to extend this approach by incorporating pollutant-specific correction factors as they become available—using PEMS data, MLIT records, European RDE datasets, and published literature. This provides a roadmap for harmonising real-world comparisons across jurisdictions, independent of certification format.

4.2 Why It Outperforms the Government's current "Methodology"

The current methodology used by the government assumes a simple 2:1 stringency multiplier between WLTC and JC08, despite offering no evidence or empirical foundation for this claim. It then uses that assumption to equate vehicles with vastly different performance—for instance, treating a Dxx (75% JC08 reduction) as equivalent to a 4xx (25% WLTC reduction). This mapping lacks scientific integrity and contradicts the policy's own logic.

By contrast, the harm model:

- **Uses real, pollutant-specific data** already recorded at border entry (e.g. achievement codes);
- **Applies publicly endorsed health cost multipliers** (HAPINZ 3.0) rather than subjective equivalency labels;
- **Normalises emissions performance across certification formats** using an adaptable structure that can grow with the science.

It also aligns with NZTA's Rightcar star ratings, which already reflect relative pollutant harm for consumers. For example, many Dxx vehicles achieve four stars—yet are soon to be excluded—while vehicles accepted under the new Euro 6d often score only two. The harm model provides a transparent explanation for these discrepancies and offers a way to unify regulatory eligibility with public-facing environmental indicators.

4.3 Not Just a Model—A Better Policy Methodology

VIA's harm model is not a new regulatory regime. It does not propose abandoning international standards or rewriting emissions law. It proposes a consistent, evidence-based *method* for determining whether international standards—or specific achievement levels within them—should be recognised.

The model offers a structured way to assess certification systems that meet New Zealand's goals, using:

- Government-trusted cost metrics (HAPINZ),
- Publicly verified emissions data (achievement codes, Euro stages),
- And a scientifically defensible framework for adjusting lab data for real-world relevance.

It allows regulators to compare vehicles from any jurisdiction on a level playing field—one that reflects actual harm, not historical test design.

It even allows, as we suspect would have been the case here, the government to simply choose the standard they want to implement from whatever jurisdiction they want to harmonise with (e.g. Euro 6d) and then identify which alternate international standards will have similar or better efficacy when it comes to harm prevention.

4.4 Conclusion: A Better Fit for the Goals We All Share

The government has outlined clear goals for its emissions policy: reduce harm, ensure equivalency, support affordability, maintain supply, and base decisions on science. VIA's harm model provides a significantly more effective means of achieving these goals than the methodology currently in use.

It offers transparency, consistency, and alignment with public health evidence. It corrects current misclassifications that are excluding some of the cleanest vehicles from the fleet. And it does all of this without requiring new laws or new infrastructure—only a more coherent application of the tools we already have.

In the next section, we show how this recalibrated approach can be implemented—simply, fairly, and without disruption—through a policy package that restores trust, improves outcomes, and makes New Zealand's emissions framework fit for purpose.

5.0 VIA's Path Forward: The No Regrets Package

New Zealand's emissions eligibility policy is at a crossroads. The current framework—rooted in certification format rather than verified environmental harm—is producing unintended and compounding consequences: cleaner vehicles are being excluded,

dirtier vehicles are entering unchecked, and both equity and public health outcomes are deteriorating.

The good news is that these issues do not require wholesale reform to resolve. New Zealand does not need to rewrite emissions law, reinvent its compliance regime, or introduce new testing infrastructure. It simply needs to recalibrate how it interprets and applies the data it already collects—achievement codes, harm costs, Rightcar ratings, and emissions certification details. That recalibration is the foundation of what VIA calls the **No Regrets Package**.

This is not a wish list. It is a modest, evidence-based set of administrative changes that could be implemented within the existing regulatory structure. The No Regrets Package is designed to:

- Restore alignment between emissions eligibility rules and real-world harm,
- Improve defensibility and coherence across government policy tools,
- Preserve access to affordable, low-emissions vehicles for New Zealanders,
- And build the technical foundation for a more resilient, future-proof regulatory system.

The proposals that follow are not theoretical. They are informed by direct engagement with real fleet data, observed market effects, and years of collaboration with border inspection agencies, emissions analysts, and regulatory officials. VIA and its members are not asking for exemptions or concessions—we are advocating for a correction to a known misalignment that is hurting the very goals the government set out to achieve.

These recommendations also reflect VIA's commitment to being a constructive partner in emissions policy. Our industry traditionally supplies over half of all vehicles entering the fleet each year, and more than 80% of retail vehicle sales to everyday New Zealanders. We believe that a sustainable, equitable, and harm-reducing fleet transition is possible—but only if independent importers remain part of the solution.

The No Regrets Package is built around three key changes, each focused on restoring evidence-based eligibility decisions without adding regulatory burden:

1. **Reinstate Rolling Implementation of Standards**
   Emissions standards should continue to apply first to new vehicles and then extend to used imports after a reasonable lag—typically 8 to 10 years. This preserves access to viable stock at a price the New Zealand public can afford, prevents market distortion, and reflects historical practice in New Zealand transport policy.
2. **Correct the Mapping of Japanese Achievement Codes to Reflect Verified Harm**

Achievement codes like Dxx, 4xx, and 5xx are already recognised, but are misclassified in their environmental efficacy. They should be aligned with Euro 5 or Euro 6 where harm-based evidence supports it—ensuring cleaner vehicles are not excluded due to outdated or arbitrary mapping.

3. **Adopt a Harm-Weighted Eligibility Threshold Based on HAPINZ**
   Rather than using test format as a gatekeeper, vehicles should be assessed against a per-kilometre harm threshold derived from HAPINZ multipliers. This allows policymakers to set clear, defensible eligibility boundaries based on real-world emissions impact—ensuring the worst polluters are excluded, and the cleanest vehicles remain accessible.

Together, these changes form a self-reinforcing framework: rolling implementation ensures stock availability, achievement codes supply credible emissions data, and HAPINZ offers a trusted yardstick for harm. No single component is sufficient on its own—but together, they offer a durable, principled, and practical alternative to the status quo.

5.1 Reinstate Rolling Implementation of Standards

The current emissions eligibility framework has broken with one of the most stable and effective features of New Zealand's past vehicle policy: rolling implementation. For decades, emissions standards were introduced in two stages—first applying to new vehicles and then extending to used imports approximately 8 to 10 years later. This approach reflected economic realities, respected the different supply chains involved, and recognised the timeframe necessary for OEMs to supply vehicles to new standards, and allowed the used market to supply those vehicles meeting New Zealand affordability.

The current policy abandons this logic. By requiring that used imports meet emissions standards only recently required for OEMs (or in some cases, at the same time as), it creates a de facto age ban. In this case, OEMs are given the option of phasing in Euro 6d, to be fully phased in in 2028, while also expecting used importers to also meet the Euro 6d standard in 2028. This leads to an interesting situation as the government is on one-hand telling OEMs that they understand how hard it is to meet Euro 6d and therefore they have until 2028 to meet it, while telling used imports that that it was so easy to build Euro 6d vehicles that OEMs were pumping them out in sufficient volumes over a decade ago.

The consequences are already visible. WLTC 5xx and 6xx vehicles—the only test codes currently accepted as Euro 6d equivalents—entered production in Japan in 2018 but did not become mainstream in existing models until 2022. Most used imports into New Zealand are 11 to 12 years old at time of entry. That means by 2028, the year Euro 6d becomes mandatory, the eligible stock will be only 6 to 8 years old. These vehicles are

too young, too scarce, and too expensive to sustain the used market – New Zealanders cannot afford them.

Worse, this is not a temporary bottleneck. It is a structural cliff. Unless the policy is recalibrated, the used import sector will face a compliance standard that it cannot meet through legitimate sourcing—even as demand for low-cost, low-emissions vehicles continues to grow.

Reinstating rolling implementation is the simplest and most effective remedy. It does not lower the standard. It merely restores the time lag that reflects the natural life cycle of vehicle markets. This ensures that new vehicles continue to lead the transition—as they should—but gives used vehicles time to filter into affordability without forcing importers to leapfrog technical barriers that even manufacturers did not anticipate a decade ago.

This approach is not novel. It is how New Zealand has handled every major emissions shift since the early 2000s, including the phased introduction of Euro 4 and Euro 5 as well as the adoption of safety standards such as ESC.

Crucially, a rolling implementation approach does not compromise environmental integrity. On the contrary, it ensures that older, higher-emitting vehicles are retired when affordable alternatives actually exist. If the Clean Car Standard and other policies succeed in increasing new EV and hybrid uptake today, then by the mid-2030s those vehicles will form the backbone of the used fleet. Prematurely imposing requirements that only apply to vehicles still in their first ownership cycle disrupts that long-term vision, suppresses supply, and worsens affordability in the interim.

A return to rolling implementation would:

- Prevent the looming 2028 cliff that could collapse used import volumes,
- Ensure continuity of access to sub-$15,000 clean vehicles for Kiwi households,
- Align with historical precedent and industry expectations,
- And create the breathing room needed to co-develop a harm-based eligibility model with government.

This is not a step backwards. It is a return to sound policy practice—one that can be implemented with minimal administrative change and maximum effect.

5.2 Allow Parallel Recognition of Standards with Comparable Environmental Efficacy

New Zealand's emissions eligibility rules currently require that vehicles certified under foreign regulatory systems—most notably Japan's—be translated into European equivalents before they can be deemed compliant. This structure assumes that

Europe's framework should serve as the reference point for all regulatory comparison, with other systems treated as subordinate or incomplete unless made to match.

This assumption is not only unjustified—it is harmful. It introduces a structural bias in favour of Euro-aligned certification formats, which primarily benefit new vehicle imports from Australia and Europe, while unfairly excluding cleaner, lower-cost used vehicles from Japan. The result is a two-tiered system in which emissions performance is judged not by substance, but by bureaucratic lineage.

VIA proposes a better path forward: parallel recognition of certification systems that demonstrate comparable environmental efficacy, based on real-world emissions harm. The cornerstone of this approach is a New Zealand-defined harm cap, grounded in tools such as HAPINZ 3.0 and adjusted for real-world driving conditions. Any vehicle—regardless of certification origin—should be accepted if it can demonstrate verified emissions performance below that threshold.

This is not a rejection of Euro standards. Nor is it a claim that one system is superior to another. Rather, it is a recognition that multiple certification frameworks can produce valid, effective outcomes—so long as those outcomes align with New Zealand's public health and environmental goals.

VIA recommends that the following achievement codes be recognised as delivering emissions efficacy consistent with New Zealand's harm thresholds:

Achievement Code	**Recognise as Acceptable for:**
Cxx[2], 3xx	Euro 5–equivalent efficacy
Dxx, 4xx, 5xx, 6xx	Euro 6d–equivalent efficacy

This is not an attempt to conflate Japanese codes with Euro standards. It is a request to recognise them alongside each other, as valid pathways to compliance when they meet the same harm-based threshold. This pluralistic approach reflects the structural differences between regulatory systems without privileging one over the other.

A harm-based threshold makes these decisions transparent, scientifically defensible, and outcome-aligned. It allows the government to accept vehicles that meet New Zealand's environmental objectives, regardless of the test format used or jurisdiction of certification. It also improves internal policy consistency by aligning border eligibility rules with the performance indicators New Zealanders already rely on—such as Rightcar pollution ratings.

[2] It is worth reminding the reader that Cxx is already 50% cleaner than what OEMs were allowed to import as Euro 5 equivalent from 2012-2024.

In short, regulatory acceptability should be based on harm, not heritage. By allowing parallel recognition of emissions standards with comparable efficacy, New Zealand can support environmental integrity, consumer access, and international fairness—without compromising ambition.

5.3 Establish a Harm-Based Emissions Model to Guide Future Policy

The inconsistencies and systemic bias outlined in previous sections are not the result of malice or negligence—but of a policy architecture that lacks a structured way to evaluate emissions performance across different regulatory systems. Without a formal harm assessment framework, decisions about eligibility inevitably fall back on certification format—creating a mismatch between environmental goals and real-world outcomes.

To resolve this, VIA proposes that the Government adopt a harm-based emissions model as a core tool for assessing vehicle acceptability. This model would quantify real-world emissions impact in a consistent way across certification formats—enabling smarter, fairer, and scientifically defensible policy across all major areas of transport regulation, including the emission rules, vehicle import rules, scrappage incentives, and public information tools such as Rightcar.

This is not an abstract policy reform. It is a practical fix to the structural problem that currently causes cleaner vehicles—particularly used Japanese hybrids and petrol imports—to be excluded based on test format rather than real-world harm. It is also the essential mechanism needed to ensure that future vehicles from non-European jurisdictions can be evaluated fairly as global supply chains evolve.

5.3.1 The False Premise of Test Harmonisation

Government officials have at times argued that a harm framework is unnecessary because Japan's WLTC test cycle is "harmonised" with Europe's WLTP. But this is a fundamental misunderstanding. While WLTC and WLTP share test parameters, they are not in themselves emission standards and do not share caps, reduction tiers, or enforcement thresholds. Harmonisation of drive cycles does not imply equivalency of outcomes. A WLTC 4xx vehicle and a WLTP Euro 6d vehicle may perform very differently in real-world conditions—even if certified under superficially similar procedures.

Worse still, this assumption does nothing to resolve the policy system's inability to evaluate vehicles from outside the Japan–Europe axis. As Japanese vehicle eligibility narrows due to age and format constraints, independent importers may be forced to increasingly look to other jurisdictions. Without a harm model, the government has no fair or consistent way to assess these options—and no safeguard against repeating the same pattern of exclusion-by-format.

5.3.2 The VIA Harm Model: A Three-Stage Framework

To address this, VIA proposes a staged, collaboratively developed harm model that estimates per-kilometre environmental and health impact in NZ$ terms. The model is structured as follows:

Stage 1 – Harmonised Fuel Burn Estimation
This stage improves on the current VEED rule, which uses a low-accuracy regression based on 2014 ICCT data. VIA proposes replacing this with high-accuracy subclass-specific models that incorporate aerodynamic drag and powertrain configuration. These changes are well researched and published)also by the ICCT) and can reduce CO_2/km estimation error to under 2.5 g/km—creating a more stable foundation for pollutant and harm comparisons.

Stage 2 – Noxious Emissions Estimation
Once fuel burn is harmonised, subclass-specific coefficients translate this into pollutant outputs (NO_x, $PM_{2.5}$, HC, CO, CO_2). These coefficients draw from real-world testing and literature, including:

- PEMS and RDE datasets from Europe and Japan,
- MLIT laboratory data,
- And ICCT meta-analyses.

This stage allows format-independent estimation of real-world emissions per kilometre, adjusted for technology type and certification behaviour.

Stage 3 – Harm Weighting and Final Score
Pollutant quantities are then monetised using national average exposure-based harm weights, consistent with HAPINZ 3.0 and WHO impact values. These weights express health damage and yield a unified NZ$/tonne harm score, suitable for use across all regulatory tools.

Example illustrative harm weights:

- $PM_{2.5}$: $382,524
- NO_x: $186,037
- SO: $22,413
- HC/NMHC: $880
- CO: $2.78
- CO_2: $88

This final score allows apples-to-apples comparison of vehicles across any certification format, any fuel type, and any origin—anchored to a clear, nationally defined harm threshold.

5.3.3 Practical Benefits

This model would allow the Government to:

- **Recognise high-performing vehicles** from any jurisdiction, regardless of certification format;
- **Avoid excluding clean vehicles** based on arbitrary format rules, as is currently occurring;
- **Integrate pollutant harm into all relevant tools**—CCS, Rightcar, incentives, and penalties;
- **Enhance regulatory defensibility** through traceable, peer-reviewed methods;
- And **future-proof emissions policy** as the global fleet and supply diversifies.

VIA's preliminary modelling already shows that, for example, a 2017 Japanese hybrid certified under JC08 with a Dxx code may emit less than half the total environmental harm of a newer WLTP-certified SUV. Under current policy, the hybrid is excluded and the SUV admitted—despite the opposite real-world impact. A harm-based model corrects this distortion.

5.3.4 Collaboration Pathway

VIA is not proposing to impose this model unilaterally. We are proposing a co-development process, involving:

- Data sharing on vehicle subclasses and compliance patterns;
- Calibration of ICCT-based regression and pollutant coefficients;
- Definition and endorsement of harm weights based on HAPINZ;
- Joint prototyping of the model in spreadsheet or API-ready form;
- And testing the framework across real future policy scenarios and import patterns.

We welcome collaboration with NZTA, MoT, MfE, emissions and health experts, and are committed to aligning this model with national climate, air quality, and equity goals.

5.4 Conclusion

The harm model is not a replacement for ambition—it is how ambition becomes accurate. It allows New Zealand to uphold high standards without excluding cleaner,

more affordable vehicles on a technicality. It strengthens scientific integrity, supports fleet renewal, and prepares our policy system for the global vehicle mix of tomorrow.

In short, it gives us a principled and practical way to answer the only question that matters: *What does this vehicle emit—and is that harm acceptable for New Zealand?*

6.0 Conclusion: From Format to Function—A Path Toward Consistency, Integrity, and Real Impact

New Zealand's emissions eligibility policy is currently failing to meet its intended objectives. By relying on test format as a proxy for environmental performance, the system is excluding some of the cleanest vehicles in the used import stream while admitting vehicles with demonstrably higher harm—simply because they bear the "right" certification label. This is not a failure of ambition, but of execution. As this document has shown, the policy architecture lacks a consistent, evidence-based framework to compare emissions standards across jurisdictions, and that gap is producing increasingly serious real-world consequences: supply suppression, rising vehicle costs, shrinking access to low-emissions options, and a growing disconnect between regulatory aims and public health outcomes.

VIA has not proposed scrapping international standards or abandoning New Zealand's commitment to high environmental performance. On the contrary, we support the recognition of international certification systems—as is already the stated policy. What we reject is the current ad hoc, format-biased, and increasingly indefensible way in which those standards are selected, interpreted, or mapped.

We have heard, on several occasions, the argument that a harm-based model would constitute a "severe departure" from current policy. That claim does not withstand scrutiny. The current policy is already to accept foreign standards—Euro 5, Euro 6d, Japan 2005, Japan 2018. What is missing is a principled, transparent, and consistent method for determining which of those standards—or which levels within them—should be accepted.

A harm-based assessment model does not alter the underlying policy goal. It refines and strengthens it. It provides the very tool that makes the existing policy defensible, coherent, and fair. Indeed, the government's own emissions mapping spreadsheet was an effort to create such a tool—but its lack of transparency, consistency, and methodological foundation has only deepened the confusion. VIA's proposal builds on the same premise—that emissions standards must be evaluated systematically—but offers a more credible, verifiable, and outcome-aligned method for doing so.

Throughout this document, we have proposed three evidence-based, actionable steps—the No Regrets Package:

1. Reinstating a rolling implementation structure that reflects when technologies become available in source markets and aligns eligibility with what New Zealanders can actually afford—typically vehicles around 10 years old;
2. Recognising Japanese achievement codes where they demonstrably align with Euro-standard harm levels;
3. And working with industry to build a harm-based framework to support parallel recognition of multiple certification systems.

None of these steps require legislation. None reduce environmental ambition. All improve policy consistency, regulatory defensibility, and access to lower-emission vehicles for the people and communities who need them most.

VIA remains committed to working in good faith with government to refine, validate, and implement these proposals. We represent the sector responsible for over half of all vehicles entering the country and the vast majority of those purchased by everyday New Zealanders. Our members want to support cleaner air, better choices, and fairer regulation—but they need a system that rewards actual outcomes, not just paperwork alignment.

This is the moment to restore trust, coherence, and impact to New Zealand's transport emissions policy. A shift from format to function is not a departure. It is a long-overdue correction—one that better serves our environment, our economy, and the public.

Appendix 1: Table of policy objectives as stated in MOT/NZTA supplied working document

Objective	New Car Industry Results	Used Car Industry Results	How This Goal Should Be Empirically Achieved	Was This Present in the Working Document?
1. Reduce Harm	**Partially Met**: Admits newer vehicles but allows large diesels with high real-world NO_x.	**Not Met**: Forced move from cleaner and later model petrol vans to older diesels. In 2028, excludes clean hybrids with low NO_x and PM (e.g. Dxx).	Use per-kilometre pollutant output (e.g. NO_x, PM) and apply health-weighted harm scores (e.g. HAPINZ 3.0).	No harm modelling; format used as proxy.
2. Ensure Equivalency	**Met in Form**: Euro standards accepted unchallenged.	**Not Met**: Japanese codes filtered by unsupported multipliers. Equivalency logic used by the government cannot be replicated.	Cross-map achievement levels using real emissions data and consistent harm thresholds across formats.	Relied on format-based assumptions and a 2:1 multiplier without scientific basis.
3. Ensure Fair Costs	**Partially Met**: High up-front costs persist but compliant vehicles available.	**Not Met**: Exclusion of cleaner petrol vehicles and people movers have driven prices up 20–40%. Impacts in 2028 are expected to be catastrophic.	Evaluate vehicle access across income brackets; model impact of eligibility rules on price and segment availability.	No affordability analysis presented.
4. Ensure Sufficient Supply	**Met**: Supply maintained via OEM-aligned certification.	**Not Met**: Supply of eligible used imports have fallen ~25%. Expected an additional ~50-60% decline in 2028.	Map certification availability by age cohort; forecast eligibility window based on fleet age and supply lag.	No supply modelling or cohort analysis included.
5. Base Decisions on Science	**Not Met**: Format treated as sufficient; Rightcar harm data inconsistently applied.	**Not Met**: Equivalency logic contradicts real-world data and omits key variables. Analyses cannot be replicated or falsified.	Ground mappings in lab-verified pollutant reductions, apply real-world correction factors (e.g. ICCT), and reconcile with NZ pollution ratings.	Lacked scientific justification; no transparency in methodology or metadata.
Summary	**Superficial compliance achieved through alignment with Euro certification formats; practical shortcomings overlooked. Continued supply is prioritised.**	**Policy failure: clean vehicles excluded, costs increased, supply constrained, and harm reduction goals undermined.**	**Goals could have been met through consistent harm modelling, fleet supply analysis, and use of verified emissions data.**	**Empirical rigour absent across all criteria; analysis does not meet the stated scientific or policy intent.**