

The Treasury

New Zealand Sovereign Green Bonds Programme Information Release

November 2022

This document has been proactively released by **Minister of Finance (Hon Grant Robertson)** on the Treasury website at

<https://treasury.govt.nz/publications/information-release/new-zealand-sovereign-green-bonds-programme>

Cabinet Document Details

Title: **Cabinet Minute: CBC-21-MIN-0119: New Zealand Green Bond Programme**

Date: **1 November 2021**

Creator: Cabinet Office

Information Withheld

No information has been withheld.

Copyright and Licensing

Cabinet material and advice to Ministers from the Treasury and other public service departments are © **Crown copyright** but are licensed for re-use under **Creative Commons Attribution 4.0 International (CC BY 4.0)** [<https://creativecommons.org/licenses/by/4.0/>].

For material created by other parties, copyright is held by them and they must be consulted on the licensing terms that they apply to their material.

Accessibility

The Treasury can provide an alternate HTML version of this material if requested. Please cite this document's title or PDF file name when you email a request to information@treasury.govt.nz.



Cabinet Business Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

New Zealand Green Bond Programme

Portfolio **Finance**

On 1 November 2021, the Cabinet Business Committee:

- 1 **agreed** to the establishment of a sovereign Green Bond Programme, which will allow the Crown to issue New Zealand Government Green Bonds;
- 2 **agreed** to support a tactical approach to identifying, monitoring, and reporting on eligible projects initially, with a view to developing more robust, systematic processes as expediently as practicable;
- 3 **noted** that coordination and cooperation across agencies will be imperative to ensure projects are able to be identified and their expected impacts are well understood and monitored;
- 4 **noted** that Ministerial support will be required to ensure agencies are incentivised to develop projects that may be eligible for inclusion in the programme;
- 5 **noted** that higher expectations will be placed on government agencies in relation to project monitoring and reporting and that this is likely to result in additional resourcing requirements;
- 6 **noted** that the establishment of a Green Bond Programme is not contingent on other climate and infrastructure decisions, however alignment with broader advice and structures will be considered to avoid unnecessary complexity and duplication;
- 7 **noted** that there are challenges to aligning a Green Bond Programme to government policies and strategies which are still in development, such as the Emissions Reduction Plan;
- 8 **noted** that Green bonds provide ‘financing’ for projects, do not provide a new source of ‘funding’ and will not provide any additional fiscal headroom relative to the current approach of issuing New Zealand government bonds;
- 9 **noted** that projects financed by Green Bonds will be subject to additional scrutiny which will help to ensure high-quality projects are being financed and delivered over time.

Jenny Vickers
Committee Secretary

Attendees: (see over)

Present:

Rt Hon Jacinda Ardern (Chair)
Hon Grant Robertson
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Carmel Sepuloni
Hon David Parker
Hon Nanaia Mahuta
Hon Poto Williams
Hon Damien O'Connor
Hon Stuart Nash
Hon Kris Faafoi
Hon Jan Tinetti
Hon Kiri Allan
Hon Phil Twyford
Hon James Shaw

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet