

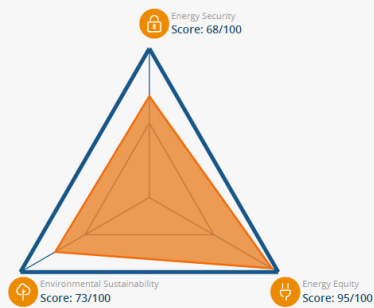
New Zealand

Trilemma Rank
#10Trilemma Score
79.4Balance Grade
AAA

New Zealand is the only non-European country to rank consistently in the top 10, reflecting strong policies for energy transition. Stable growth in the Sustainability index is driven by generation from renewables, as well as managed emissions in the context of economic and population growth. Fluctuations in the Security index represent minor reduction in fossil fuel stocks, and slight upturn in import dependence since the late 2000s. Equity remains stable and managed in a context of social change. The overall balance grade is AAA.

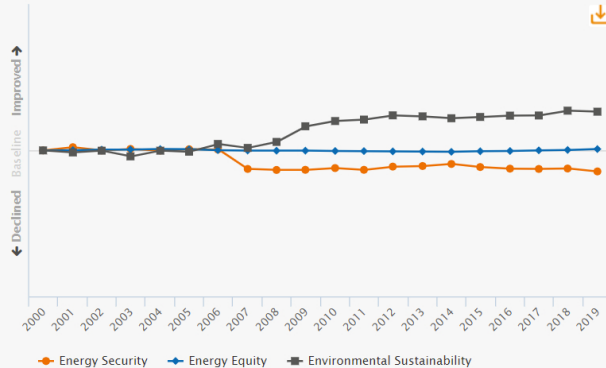
Population
4.8 (millions)Land Area
263.3 (thousand sq. km)GDP Per Capita
40,748 (PPP US\$)Industrial Sector
20.4 (% of GDP)GDP Growth
2.8 (annual %)

Balance



Historical Trilemma Scores

Trend lines track the country's performance in each dimension, beginning with a baseline of 100 in the year of 2000



Trends and Outlook

Around 85% of New Zealand's electricity comes from renewable sources, this being the third-largest share of renewable electricity in the OECD. Building on this, the Government has ambitious decarbonisation goals that are embedded in a commitment to a just transition. The Government has introduced a Bill with a target of net-zero greenhouse gas emissions (except biogenic methane) by 2050, and a new independent Commission to oversee carbon budgeting. The bill is expected to pass in early 2020. Before then, the Government will also introduce a Bill to strengthen the emissions trading scheme. At the same time, work is underway on how to achieve 100% renewable electricity in an average hydrological year by 2035. The Government acknowledges that pragmatism is required to ensure that removing the last few percent of gas generation, does not place unreasonable costs on households or put energy security at risk.

A focus on transport emissions makes more sense, with the Government recently proposing emission standards for light vehicle imports and a scheme to incentivise low emission vehicles. An electricity price review that focuses on affordability and the adoption of low emissions technology has been concluded. The industry awaits Government decisions on which of the review's recommendations to prioritise for implementation.

Finally, the Government is working on a resource strategy and is developing a hydrogen vision. The resource strategy will articulate the Government's long-term plan for the country's petroleum and minerals sector. The hydrogen vision is exploring economic opportunities for this gas to support the transition to a low emissions future. Policy and investment decision-making has always been complex, even more so today. The prospect of increasing complexity in energy markets suggests caution is needed in designing policy frameworks while new business opportunities are emerging. The new BEC2060 energy scenarios will help us to understand better some of these implications and what they will mean for the energy trilemma.

Key metrics

Metrics are determined relative to other countries, with the top performer receiving a full bar.

