



Summary of Underpinning Analysis: Waste Minimisation (Synthetic Refrigerants) Regulations 2026

Agency responsible	Ministry for Cities, Environment, Regions and Transport
Portfolio	Environment
Date finalised	31 August 2026
Identification Number	REG-313

Good law-making: 9(i)

The importance of consulting, to the extent that is reasonably practicable, the persons or representatives of the persons that the responsible agency considers will be directly and materially affected by the legislation

Inconsistency identified? NO

Summary of agency analysis

Public consultation was held from 8 November to 18 December 2022 and received 38 submissions, primarily from business/industry, local authorities, and individuals. A good cross-section of the Heating, Ventilation, Air-conditioning and Refrigeration (HVACR) sector made submissions. Overall, 87 percent of submitters agreed in principle to the proposal to introduce a regulatory framework for synthetic refrigerants.

The full summary of submissions report is available at:

<https://environment.govt.nz/publications/proposed-measures-to-reduce-the-environmental-impact-of-fluorinated-gases-summary-of-submissions/>

Following the announcement and proactive release of the 2024 Cabinet decision to develop regulations, refrigerant sector stakeholders raised concerns with the proposed Regulated Product Stewardship Scheme (RPSS) design. These concerns focused on the need to: address the risk that the Product Stewardship Organisation (PSO) status of Trust for the Destruction of Synthetic Refrigerants (the Trust) could grant its commercial arm (Cool-Safe) a commercial advantage; ensure the Trust's Board was more representative of the sector; and, clarify that the scope of the RPSS training requirements and the PSO's role in other training related efforts. At the direction of the Minister for the Environment, officials undertook extensive stakeholder engagement to understand and address these concerns. This work has now been completed.



Finally, and in addition, designated members of the Trust for the Destruction of Synthetic Refrigerants and representatives of the following sector organisations were provided with the opportunity to consider an exposure draft of the regulations in August 2026:

- Institute of Refrigeration, Heating and Air Conditioning Engineers of New Zealand (IRHACE)
- Climate Control Companies Association of New Zealand (CCCANZ)
- Heat Pump Suppliers Association of New Zealand (HPSA)
- Motor Trade Association
- Absolute Air Conditioning and Refrigeration Ltd
- A-Gas New Zealand
- A-Gas Australia
- Refdeconstruct
- Beijer Ref New Zealand
- Chemical Destruction Services.

Their feedback has been considered when finalising the regulations.

Good law-making: 9(j)

The importance of carefully evaluating—

- **the issue concerned; and**
- **the effectiveness of any relevant existing legislation and common law; and**
- **whether the public interest requires that the issue be addressed; and**
- **any options (including non-legislative options) that are reasonably available for addressing the issue; and**
- **who is likely to benefit, and who is likely to suffer a detriment, from the legislation**

Inconsistency identified?

NO

Summary of agency analysis

Policy decisions were informed by impact analysis undertaken by the Ministry for the Environment in 2024 and summarized in its Supplementary Analysis Report (the Report). That report together with the Cabinet paper and Cabinet committee Minute are available here: <https://environment.govt.nz/assets/publications/Mfe-Refrigerants-policy-in-second-emissions-reduction-plan-cab-papers.pdf?v=88f13407e74e3fd326ebc4135437e61ec6e8b204>

The Report includes an assessment of the nature and scale of the policy problem, the existing regulatory framework, and whether the problem needed to be addressed in the public interest. It concluded that insufficient action around leakage and end-of-life management of synthetic refrigerants would result in continued harm to the environment



from release of gases into the environment leading to economic costs of up to \$437 million in the period to 2050.

The preferred option for addressing the problem – regulated priority product stewardship of synthetic refrigerants under the Waste Minimisation Act 2008 (the Act), was assessed against the status quo – the current voluntary accreditation scheme.

The Report includes an evaluation of the costs and benefits of the regulatory option compared to the status quo. It considers how a regulated product stewardship scheme for synthetic refrigerants would affect different groups including: the regulator (The Ministry for the Environment, now MCERT), the Scheme Manager (the Trust), Industry (including automotive and HVAC technicians, electricians, importers, scrap metal dealers, producers and retailers), consumers and society in general.

Good law-making: 9(k)

The importance of the responsible agency identifying and developing effective arrangements for implementing the legislation

Inconsistency identified? NO

Summary of agency analysis

Implementation arrangements were identified during the development of policy proposals and have been further developed by officials in consultation with the Trust and the synthetic refrigerants sector.

The regulations will enable the delivery of the synthetic refrigerants product stewardship scheme. They will be introduced in two tranches. Tranche 1 includes scheme participation and synthetic refrigerant disposal, take back and destruction service, and information and collection and reporting requirements. Tranche 2 will include qualification requirements for technicians and will commence three years after Tranche 1. This will enable the sector to upgrade training standards and technical training through existing industry training organisations and resources.

The scheme will be managed by the Trust for the Destruction of Synthetic Refrigerants (the Trust), a not-for-profit charitable trust that has been operating the voluntary refrigerant recovery scheme since 1993.

As scheme manager, the Trust will be responsible for delivering the scheme. It will provide a take-back service for synthetic refrigerants (branded Cool-safe) operated by its independent subsidiary Chemical Destruction Services Limited (CDS). Cool-Safe/CDS operates in a competitive market with other commercial providers of synthetic refrigerant recovery services.



The scheme will be funded through revenue generated by Cool-Safe/CDS from the sale of New Zealand Units (NZUs) earned through the recovery and destruction of synthetic refrigerants.

An industry Working Group will provide advice on operational aspects of the scheme, including data and reporting requirements, a Code of Participation and the competencies and skills framework for scheme participants.

MCERT, as the regulator, will be responsible for performance and compliance monitoring and enforcement activities. MCERT and the Trust will establish a deed that will outline the obligations of each party and state the terms and conditions for delivery and managing the scheme.¹

Good law-making: 9(l)

Legislation should be expected to produce benefits that exceed the costs of the legislation to the public or persons

Inconsistency identified? NO

Summary of agency analysis

Cost benefit analysis undertaken by the Ministry for the Environment estimates the net benefits of the regulated product stewardship scheme ranges from -\$194 million in a low impact scenario to \$247 million in a high impact scenario in present value terms in the period to 2050.

The wide range in the net benefit analysis results from uncertainty in the legacy synthetic refrigerant bank and emissions data and the current absence of reporting requirements related to synthetic refrigerant use and disposal.

Further details on the cost benefit analysis can be found in the Supplementary Analysis report available at: <https://environment.govt.nz/assets/publications/Mfe-Refrigerants-policy-in-second-emissions-reduction-plan-cab-papers.pdf?v=88f13407e74e3fd326ebc4135437e61ec6e8b204>

Good law-making: 9(m)

Legislation should be the most effective, efficient, and proportionate response to the issue concerned that is available

Inconsistency identified? NO

Summary of agency analysis

¹ This approach is currently used in the regulated Tyrewise scheme and is also being adopted for the agrichemicals and farm plastics regulated product stewardship scheme.



The proposals were informed by impact analysis which included consideration of the regulatory option and a non-regulatory option, namely, continuation of the current voluntary approach to product stewardship of synthetic refrigerants.

The options were assessed against the following criteria:

- *Effective*: The option reduces the actual or potential environmental harm;
- *Efficient*: The option results in increased present and future net societal well-being (i.e. makes society better off relative to the status quo, or other options);
- *Equitable*: The option produces a cost allocation among parties that better aligns private and social costs (i.e. deals with externalities)
- *Implementable*: The option is sufficiently practical that implementation is relatively straightforward.

The regulatory option was assessed as performing best against all criteria.

Further details on the analysis can be found in the Report available at:

<https://environment.govt.nz/assets/publications/Mfe-Refrigerants-policy-in-second-emissions-reduction-plan-cab-papers.pdf?v=88f13407e74e3fd326ebc4135437e61ec6e8b204>

Rule of Law: 9(a)(i)

The law should be clear and accessible

Inconsistency identified?

NO

Summary of agency analysis

Clarity

The regulations are clear for their intended audience, including for the regulator; the scheme manager; producers and importers of regulated gases and equipment; sellers of regulated gases and equipment; technicians working with regulated gases and equipment; and those handling regulated gases at end of life. Obligations under the scheme are clearly laid out in the regulations.

The regulations are modelled on existing secondary legislation used for another regulated product stewardship scheme including the Waste Minimisation (Tyres) Regulations 2023.

The regulations have a logical structure and are easy to navigate. They are drafted in plain language and use limited technical terminology.

Any technical or industry-specific terms are commonly understood by regulated parties or are defined in the regulations.

Accessibility

The regulations will be published on the New Zealand Legislation website and notified in the Gazette. The regulations will be publicly available without restriction.



The Ministry and the Trust will undertake communications to inform affected parties of the regulations and their requirements (e.g., press releases, information on the Ministry's and the Trust's websites, communication by Trust through relevant newsletters and publications, and direct communication by the Trust to participants in the current voluntary scheme).

Rule of Law: 9(a)(ii)

The law should not adversely affect rights and liberties, or impose obligations, retrospectively

Inconsistency identified? NO

Summary of agency analysis

The regulations do not have any retrospective effects.

Rule of Law: 9(a)(iii)

Every person is equal before the law

Inconsistency identified? NO

Summary of agency analysis

The regulations will not result in the law being administered unequally.

Rule of Law: 9(a)(iv)

There should be an independent impartial judiciary

Inconsistency identified? NOT APPLICABLE

Summary of agency analysis

The regulations do not impact on judicial appointments and the independence from the Executive and Parliament. The regulations do not confer judicial functions on any person.

Rule of Law: 9(a)(v)

Issues of legal right and liability should be resolved by the application of law, rather than the exercise of administrative discretion

Inconsistency identified? NOT APPLICABLE

Summary of agency analysis

The regulations do not require a decision-maker to exercise discretion. They do not delegate authority to an administrative body to resolve issues relating to legal rights and liabilities.



Liberties: 9(b)

Legislation should not unduly diminish a person's liberty, personal security, freedom of choice or action, or rights to own, use, and dispose of property, except as is necessary to provide for, or protect, any such liberty, freedom, or right of another person

Inconsistency identified? No

Summary of agency analysis

The regulations do not diminish any rights or liberties except as is necessary to provide for, or protect, any such liberty, freedom or right of another person.

Taking of property: 9(c)

Legislation should not take or severely impair, or authorise the taking or severe impairment of, property without the consent of the owner unless-

- **there is a good justification for the taking or severe impairment; and**
- **fair compensation for the taking or severe impairment is provided to the owner; and**
- **the compensation is provided, to the extent practicable, by or on behalf of the persons who obtain the benefit of the taking or severe impairment**

Inconsistency identified? NOT APPLICABLE

Summary of agency analysis

The regulations do not take or severely impair, or authorise the taking or severe impairment of, property.

Taxes, fees and levies: 9(d)

The importance of maintaining consistency with section 22(a) of the Constitution Act 1996 (Parliamentary control of taxation)

Inconsistency identified? NOT APPLICABLE

Summary of agency analysis

The regulations do not affect taxation.

Taxes, fees and levies: 9(e)

Legislation should impose, or authorise the imposition of, a fee for goods or services only if the amount of the fee bears a proper relation to the cost of providing the good or service to which it relates



Inconsistency identified?

NOT APPLICABLE

Summary of agency analysis

The regulations do not impose, or authorise the imposition of, fees.

Taxes, fees and levies: 9(f)

Legislation should impose, or authorise the imposition of, a levy to fund an objective or a function only if the amount of the levy is reasonable in relation to both—

- the benefits that the class of payers is likely to derive, or the risks attributable to the class, in connection with the objective or function; and
- the costs of efficiently achieving the objective or providing the function

Inconsistency identified?

NOT APPLICABLE

Summary of agency analysis

The regulations do not impose, or authorise the imposition of, a levy.

Role of courts: 9(g)

Legislation should preserve the courts' constitutional role of ascertaining the meaning of legislation

Inconsistency identified?

Not applicable

Summary of agency analysis

The regulations do not impact on or alter the courts' constitutional role of ascertaining the meaning of legislation.

Role of courts: 9(h)

Legislation should make rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review

Inconsistency identified?

NOT APPLICABLE

Summary of agency analysis

The regulations do not make any rights and liberties, or obligations, dependent on administrative power.



Additional information

Relevant publicly available inquiry, review, or evaluation reports

Not applicable

Relevant international treaties, standards and obligations

The Ministry of Foreign Affairs and Trade was consulted and confirmed that the proposals are consistent with New Zealand's international obligations. This includes our commitments under the Montreal Protocol and the Paris Agreement, the Trans-Tasman Mutual Recognition Agreement and the WTO Agreement on Technical Barriers to Trade (TBT Agreement).

Departures from the Legislation Guidelines

No departures from the principles set out in the Legislation Guidelines have been identified.

Other unusual provisions or features

The regulations do not include unusual provisions or features that require additional comment.