

Environment Canterbury submission: *Our Climate Your Say: Consultation on the Zero Carbon Bill* discussion document

1. Environment Canterbury thanks the Ministry for the Environment ('the Ministry') for the opportunity to comment on the *Our Climate Your Say: Consultation on the Zero Carbon Bill* discussion document.
2. Environment Canterbury acknowledges the importance of and urgent need to address climate change for the benefit of current and future generations. Environment Canterbury looks forward to ongoing involvement as the Ministry and the Government take this work forward.
3. Our submission focuses on those matters which are important to Environment Canterbury: our priorities are outlined below and underpin our responses to the specific questions raised in the discussion document.

What are the key priorities for Environment Canterbury?

We seek that the Government's approach to developing the Zero Carbon Bill:

4. **Provides increased long-term policy certainty.** Action on reducing emissions in New Zealand has been undermined up till now by significant policy uncertainty. A new emissions target should be followed by policies which signal to sectors where emission reductions will be sought over the long-term. Recent analysis from Westpac indicated that New Zealand will be better off if it reduces greenhouse gas emissions sooner rather than later, and that the agriculture sector is projected to be better off from an early, phased, introduction to the NZ ETS, rather than a more rapid entry later on. Setting an emissions target(s) that includes an approach to all gases, including those from agriculture, would provide increased policy certainty and support early action.
5. **Complements regional council work on incentivising sustainable land management.** Environment Canterbury remains focused on delivering better land use outcomes, and a huge part of this is improving water quality in Canterbury through Good Management Practice. This work has required a significant shift in how our communities manage land use, and any efforts to reduce biological agricultural emissions will likely require an equally significant shift. It is highly desirable that policies aimed at improving water quality are tied in with any policies for reducing agricultural emissions. The two sets of changes must go hand in hand. Otherwise, land-owners will find themselves taking steps they later regret – steps that meet only one of these two objectives, but not both.
6. **Provides an equitable pathway,** including from intergenerational, sector and societal perspectives. Much as the impacts of climate change are inequitable, the impacts of climate change policies also risk being inequitable. The Government's approach should acknowledge how policies impact on different groups, and groups across time. Environment Canterbury welcomes the focus on a just transition and looks forward to seeing policies that reflect this.
7. **Is cost effective.** Any approach to mitigation and adaptation should be cost-effective, which includes recognising the advantages of acting now as opposed to later; the risk of in-action; and the wider co-benefits that climate action can deliver. Robust and on-going assessment of climate change related threats and opportunities will be critical to informing prioritised and aligned action at a national, regional and local level.
8. **Is delivered through working collaboratively.** Our experience with freshwater management in Canterbury highlights the importance of working together with tangata whenua and our communities – we are strongest and most effective when working together. We would like to continue to engage with central government as the Bill, carbon budgets, and climate change policies are developed. The CCATWG's Final Report recommends a 'whole of New Zealand approach' to adaptation; delivering a

significant reduction in New Zealand's emissions will equally require a holistic and collaborative approach.

9. **Honours the Treaty of Waitangi** and reflects meaningful partnerships between iwi and Government. We strongly value our Tuia approach to working with Ngāi Tahu¹ and suggest a similar approach could be taken by the government on climate change.
10. **Gives strong focus to adaptation**, if it is included, and focuses on implementing the recommendations of the Climate Change Adaptation Technical Working Group (CCATWG). Extensive independent advice has already been provided to central government by the CCATWG; implementing the CCATWG recommendations are essential for the long-term sustainability of New Zealand and should be prioritised by Government.
11. **Shows the ambition to reduce the impacts of climate change**. No community will be immune to the impacts of climate change, and some, including those around coastal areas, will be severely impacted. We consider that the policies that flow from a new emissions target should show New Zealand's commitment to limit global warming and the impacts this will have on our communities.
12. **Reflects local government's critical role** in climate change adaptation. The new legislation must reflect this role, and support effective alignment and integration between national, regional and local climate change risk assessments and adaptation planning, including civil defence risk assessments and planning.
13. **Provides greater clarity on the respective roles and responsibilities** of central, regional and local government for climate change. This relates to both mitigation and adaptation. For mitigation policy for example, it is clear that local government must not consider the climate change impacts of greenhouse gas emissions as a resource management issue. There are however a range of other functions that local government delivers, such as transport, where there is less clarity about the role and responsibility in reducing greenhouse gas emissions.
14. **Clarifies funding arrangements for adaptation**. The consequences of climate change will be beyond the resources of many communities, so the government must put funding in place to address this.
15. **Provides a nationally consistent approach to mitigation policy**. It would be inefficient and risk perverse consequences to encourage the creation of different policies for climate change mitigation at a local level, for example vehicle efficiency standards, where a national, holistic approach is more appropriate.

¹ See the Productivity Commissions Low-Emissions Economy Draft Report p. 193

Feedback on the questions raised

Adapting to the impacts of Climate Change: What approach should the Zero Carbon Bill take?

16. An all-of-New Zealand, cross-sector approach will be critical to understanding and effectively managing climate change now and the risks into the future. We perceive there are two types of risks, and both types are important: the risks from the impacts of climate change as the change in average global weather, and the impacts of climate change mitigation as a political, economic, social, cultural shift.
17. To date there has been a focus on understanding and managing the increase in natural hazard risk. We encourage the Ministry to prioritise national direction on natural hazard risk management.
18. We emphasise the importance of clarifying roles and responsibilities for climate change adaptation. It will be important that this aspect of the Bill is given the focus and priority it demands if it is included.
19. In addition, there is a need to look more holistically at risks and associated adaptation priorities, including for example, terrestrial and marine biosecurity risks, human health, etc.
20. We note that the Ministry's proposed approach reflects many of the recommended actions in the CCATWG's Final Report. We support the inclusion of adaptation in the proposed Zero Carbon Bill if this will enable a rapid response and implementation of the CCATWG recommendations by Government.
21. Working together with local government will be instrumental for developing and implementing the new adaptation framework proposed by Government. Local government, including Civil Defence Groups, already undertakes considerable work to assess and manage climate change risks at the local and regional level, and this should both inform, and be informed by, the national risk assessment and adaptation plan.
22. We support the proposal that the Climate Change Commission has responsibility for the national climate change risk assessment, and recommend that this is an independent, holistic assessment developed through cross-sector partnership, including with local government and iwi.
23. We support the proposal that Government leads the development of a national adaptation plan. We note the proposal that the national adaptation plan is developed 'with local government and other stakeholders'. Given the key role that local government plays in climate change adaptation, we recommend a strong partnership approach between central and local government.

24. We strongly support mandatory progress reviewing and reporting of the status of national adaptation plan implementation. This should be simple and easy to understand. Ensuring the status of progress on this issue is visible to the public will allow them to scrutinise action on this important issue the same way they will with the carbon budgets.
25. A broad range of inputs into progress reviewing and reporting will increase its usefulness, for example, the local government stocktake of climate change adaptation action which was provided to CCATWG was used to form the basis of their findings regarding local government. However, some of the councils that are facing the biggest adaptation challenges, for example on the West Coast of the South Island, are also the less well resourced, and some form of financial or in-kind support to encourage this reporting would be welcome.
26. Environment Canterbury notes that natural hazards exacerbated by climate change are being experienced by many (not just coastal) communities; this needs to be acknowledged as a national problem. Climate change is affecting the whole country and the scale of response will require the resources of the whole country. Environment Canterbury urges the Government to acknowledge and respond to the full scale of the climate change adaptation challenge.

2050 Target: What target and process does Environment Canterbury support?

27. In the absence of any analysis of the impact on Canterbury of the three options, our feedback is based on the information provided in the consultation documents.
28. We support a net zero emissions target, set in legislation now, supported by budgets and plans that determine how and at what speed we tackle different gases and different sectors.
29. We support a net zero target as it is ambitious and holistic, and provides long-term signals to all sectors of the economy. We note that the modelled economic costs of this target are not substantially different from the other targets.
30. We strongly argue that there is a case for treating short-lived gases differently and recommend that this be achieved through the iterative budget setting process, rather than by treating short and long-lived gases differently in the 2050 target. In this way, policies and budgets could differentiate the speed at which emission reductions are sought across different gases, reflecting the availability of enabling solutions and the need to manage the impact on different sectors and communities over time.
31. The consultation material provides limited detail of how a stabilisation target would work, or at what level it would be set. While we recognise that a stabilisation target could be clear and ambitious, and provide the necessary signal to the agricultural sector

that emissions reductions are required, without further specifics regarding target level, we are unable to support this target option.

32. We support the ability to revise the target, but only in response to a globally-accepted need to target a more aggressive (i.e. lower / negative) net emissions target by 2050. Allowing a relaxation in the 2050 target should not be permitted as it risks undermining the certainty required to drive action and investment.

Emissions Budgets: How should budgets be set?

33. We largely support the adoption of the UK model, which we understand is well tested and supported. There appears to be limited rationale to diverge from this approach.
34. We highlight the importance of budgets being credible, reflecting emission reduction solutions available/anticipated for different sectors. Budgets setting must consider the necessary support and investment required to ensure a just and equitable transition, particularly for our vulnerable and rural communities. We support the ability to revise the second and third budgets, but only where this accelerates progress towards the target and is in response to either enabling solutions and/or a globally agreed need to accelerate the emissions reduction pathway.

Government Response: What other considerations should be considered when setting targets and budgets?

35. We have outlined above the key considerations that are important to Environment Canterbury as a regional council.
36. We would like the Government to consider how targets, budgets and plans impact on other central and local government policies, and to identify and implement actions that complement existing resource management and sustainable development policies e.g. freshwater management, air quality management.
37. It is critical that the Bill contains the requirement that Government set out plans to achieve carbon budgets within a certain timeframe, as this will assist with increased policy certainty. We understand a lack of required timeframe has been identified as a weakness of the UK approach.

Climate Change Commission: What should the Commission's roles and responsibilities be?

38. We support the Climate Change Commission having a strong expert advisory and monitoring role which is independent of Government, and which requires Government to publicly respond to its advice within a defined timeframe.

39. We support decision-making on national policies and plans resting with Government, given the potential impact of such policies and the importance of maintaining accountability through the democratic process.
40. As an independent expert advisory body, we consider that members of the Climate Change Commission should be selected for their expertise in relevant subjects including science, technology and innovation, public health, economics and risk management. If adaptation is part of its responsibilities a good balance of expertise must relate to both adaptation and mitigation. The UK Commission has an adaptation sub-committee and this would be a good model for the Climate Change Commission.

Conclusion

41. Environment Canterbury thanks the Ministry for the opportunity to make a submission on the Zero Carbon Bill discussion document. We look forward to the draft Bill due in October 2018.

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