



**ETS report: Engagement with the ILG and the MRGE in relation to possible amendments to the ETS**

<b>Date:</b>	20 July 2009	<b>MfE Priority:</b>	URGENT
<b>Security Level:</b>		<b>Number of Attachments:</b>	Nil
		<b>MfE Ref No:</b>	09-B-02046

	<b>Description</b>	<b>Relevant dates</b>
Minister of Finance Hon Bill English	This briefing outlines the nature of the engagement discussed between Minister Smith, the Iwi Leadership Group and the Māori Reference Group Executive at their meeting on 14 July 2009 in relation to possible amendments to the CCRA for a moderated the ETS.	Meeting of the ETS Ministerial Group on Tuesday 21 July 2009.
Minister of Energy and Resources Hon Gerry Brownlee		
Minister for Climate Change Issues Hon Dr Nick Smith		
Minister of Agriculture and Forestry Hon David Carter		
Minister for Climate Change Issues (International Negotiations) Hon Tim Groser		
Minister of Transport Hon Steven Joyce		
Associate Minister of Māori Affairs Hon Georgina Te Heuheu		
Minister of Māori Affairs Hon Dr Pita Sharples		

**Ministry for the Environment Contacts**

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## Purpose

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The purpose of this briefing is to advise the ETS Ministerial Group of the engagement process that was discussed between Minister Smith, the Climate Change Iwi Leadership Group (ILG) and the Māori Reference Group Executive (MRGE) to consider possible amendments to the Climate Change Response Act 2002 for a moderated New Zealand Emissions Trading Scheme (NZ ETS).

This briefing also touches on two other matters: next steps in resolving issues with Ngāi Tahu over the impact of the NZ ETS; and Māori and the setting of a 2020 greenhouse gas emissions reduction target for New Zealand.

## Background

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On 13 May 2009 Ministers met with the ILG and MRGE to discuss engagement over possible amendments to the NZ ETS. Following that meeting officials met with the MRGE to gather detailed information on the specific issues of interest to Māori in relation to the NZ ETS.

A briefing note was provided to Minister Smith on 6 July 2009 (09-B-01625) summarising the issues and proposals raised by the MRGE with respect to the NZ ETS, the CNI Iwi Collective's position and officials' analysis of these matters.

Minister Smith met with the ILG and the MRGE in Hopuhopu on 14 July 2009 as part of the Roadshow to discuss New Zealand's 2020 emission reduction target. At this meeting with the ILG and the MRGE, engagement with regard to possible changes to the NZ ETS was discussed and a process was agreed.

MRGE met briefly with officials on 20 July 2009 at which MRGE outlined what they understood to have been agreed with the Minister at Hopuhopu.

## Engagement with the ILG and MRGE going forward

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The following engagement process was discussed between Minister Smith, the ILG and MRGE:

Date	Meeting / activity	Who
Early August	Cabinet considers policy proposals and reaches in principle decisions on a moderated NZ ETS	Cabinet
Mid August	ETS Ministerial Group meets with ILG and informs them of in principle decisions	ETS Ministers and ILG
	Officials meet with the MRGE to discuss in detail the in principle decisions and the implications and impacts for Māori	Officials and MRGE
	(A possible further meeting between the ILG and Ministers may be required following meetings between officials and MRGE)	(ETS Ministers and ILG)
Mid September	Two or three regional and one national hui with iwi leaders held to discuss proposed changes to the NZ ETS and reach a view on them	ILG MRGE

End September	Report back to ETS Ministers	Ministers and ILG
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MRGE have also requested administrative support for the 2009/10 financial year to provide a secretariat.

## **Ngāi Tahu and resolution of issues relating to the NZ ETS**

[withheld]

## **Māori and the setting of a 2020 emissions reduction target**

### *Research into targets and the Māori economy*

Following discussions between Minister Smith and the ILG at Hopuhopu on 14 July 2009, the Ministry for the Environment has engaged NZIER to assess the impact of New Zealand's AAU allocation on the Māori economy. The scope of the work has been discussed with the MRGE. This work is due to be completed by 31 July 2009 and will be provided to the ILG and MRGE in order to inform their position on 2020 targets.

### *National hui of iwi leaders 4 August 2009*

The ILG and MRGE are planning a national hui of iwi leaders in Wellington to consider the setting of a 2020 emissions reduction target and to announce a position in response to the Roadshow and in light of the research commissioned from NZIER. It is possible that the ILG will invite Minister Smith to address the hui. They intend to release a media statement at the end of the hui reflecting their view on setting the target. MRGE has advised officials that they will request that the Minister agree to funding the hui including the costs of travel for 20 invited iwi leaders (and the ILG and MRGE).

Stuart Calman  
Director, Climate and Risk

20 July 2009