

New Zealand's 2020 Emissions Target

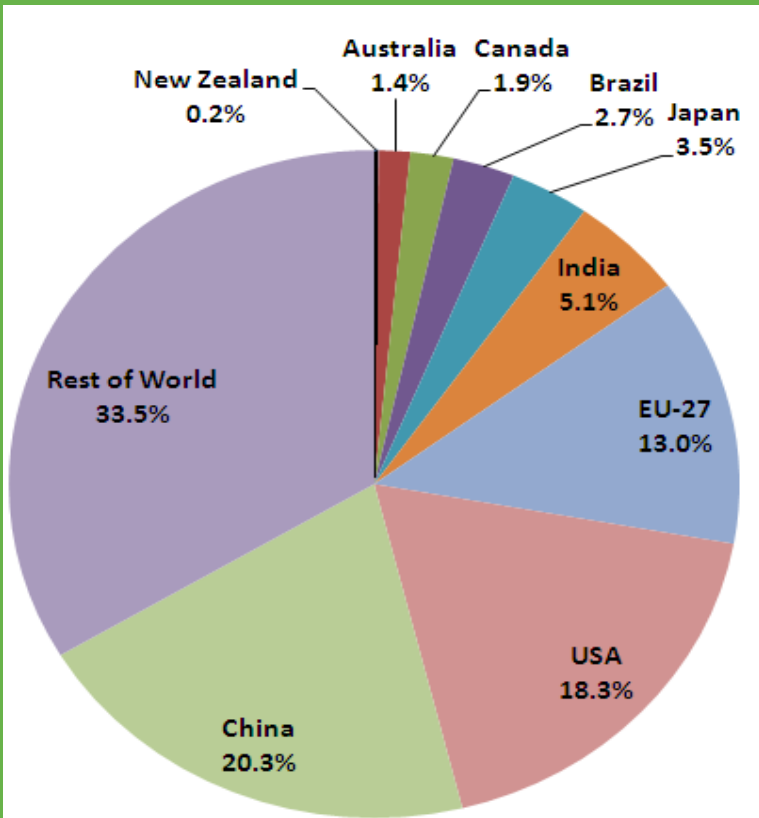


“Climate change is a diabolical policy problem. It is harder than any other issue of high importance that has come before our polity in living memory.”

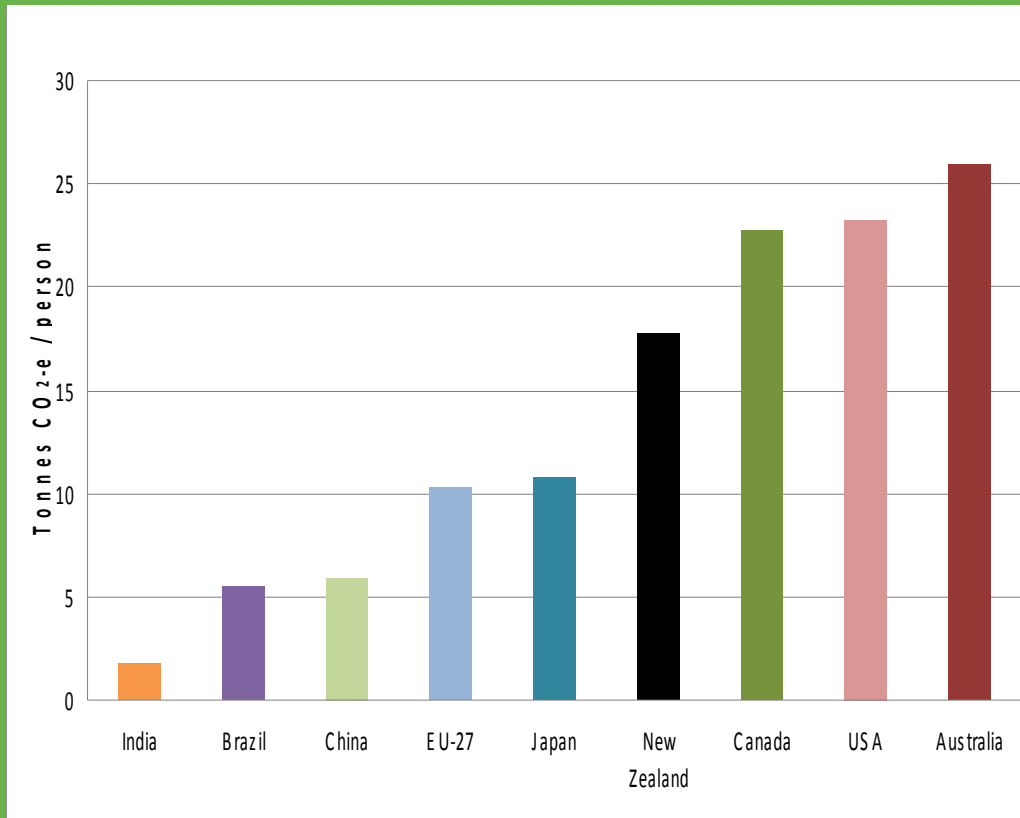
– PROFESSOR ROSS GARNAUT, *Author of the Garnaut Climate Change Review*

Hon Dr Nick Smith Minister for Climate Change Issues

Global Emissions



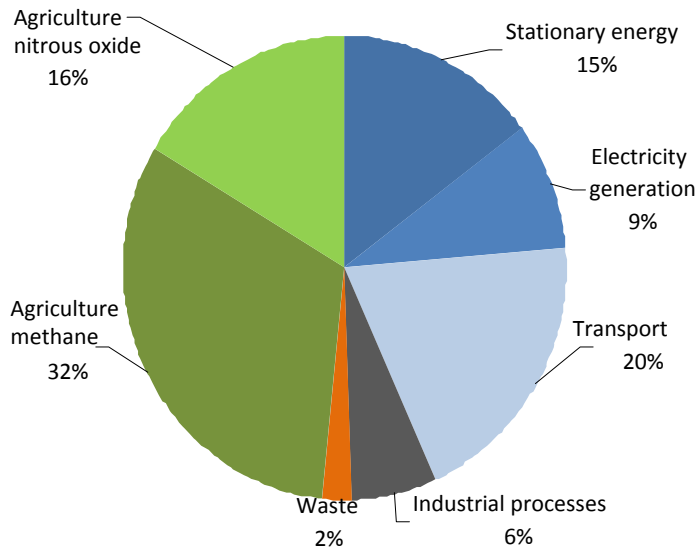
Percentage of world emissions, 2007



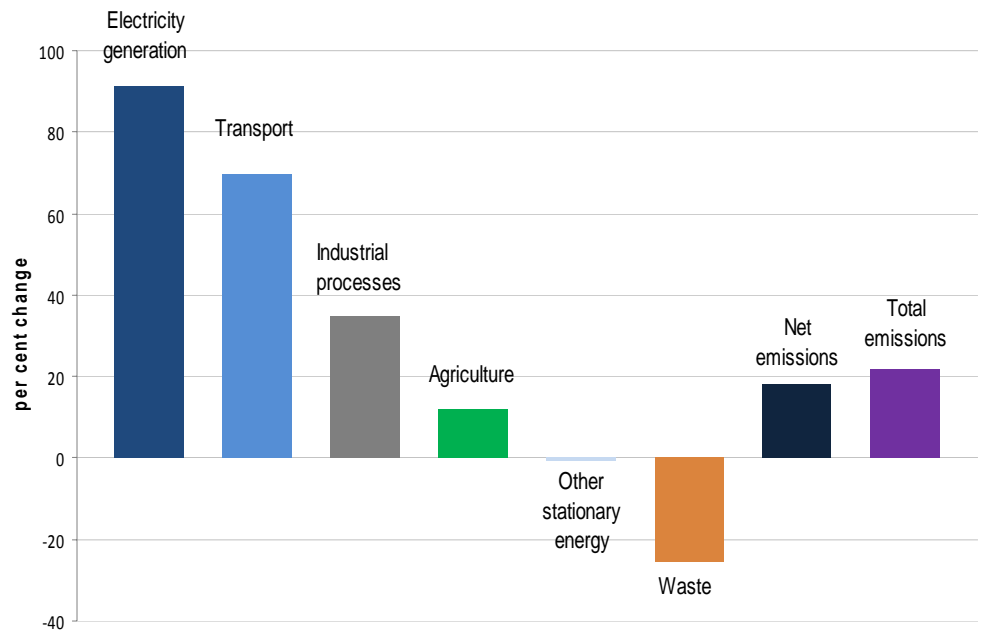
Per capita emissions by country, 2007

New Zealand's 2020 Emissions Target

New Zealand's Emissions

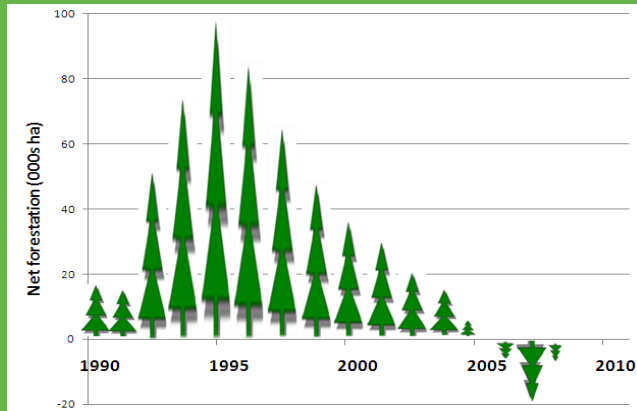


New Zealand's Gross Greenhouse Gas Emissions, 2007

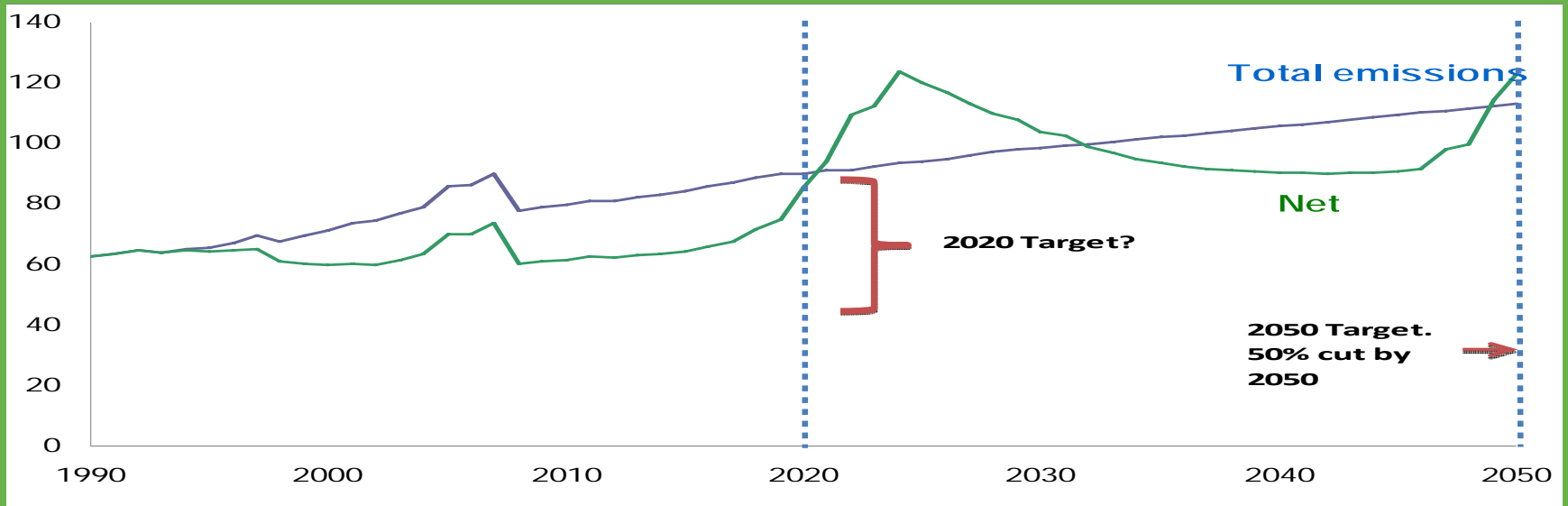


Percent emissions change by sector, 1990-2007

Forests and New Zealand's Emissions



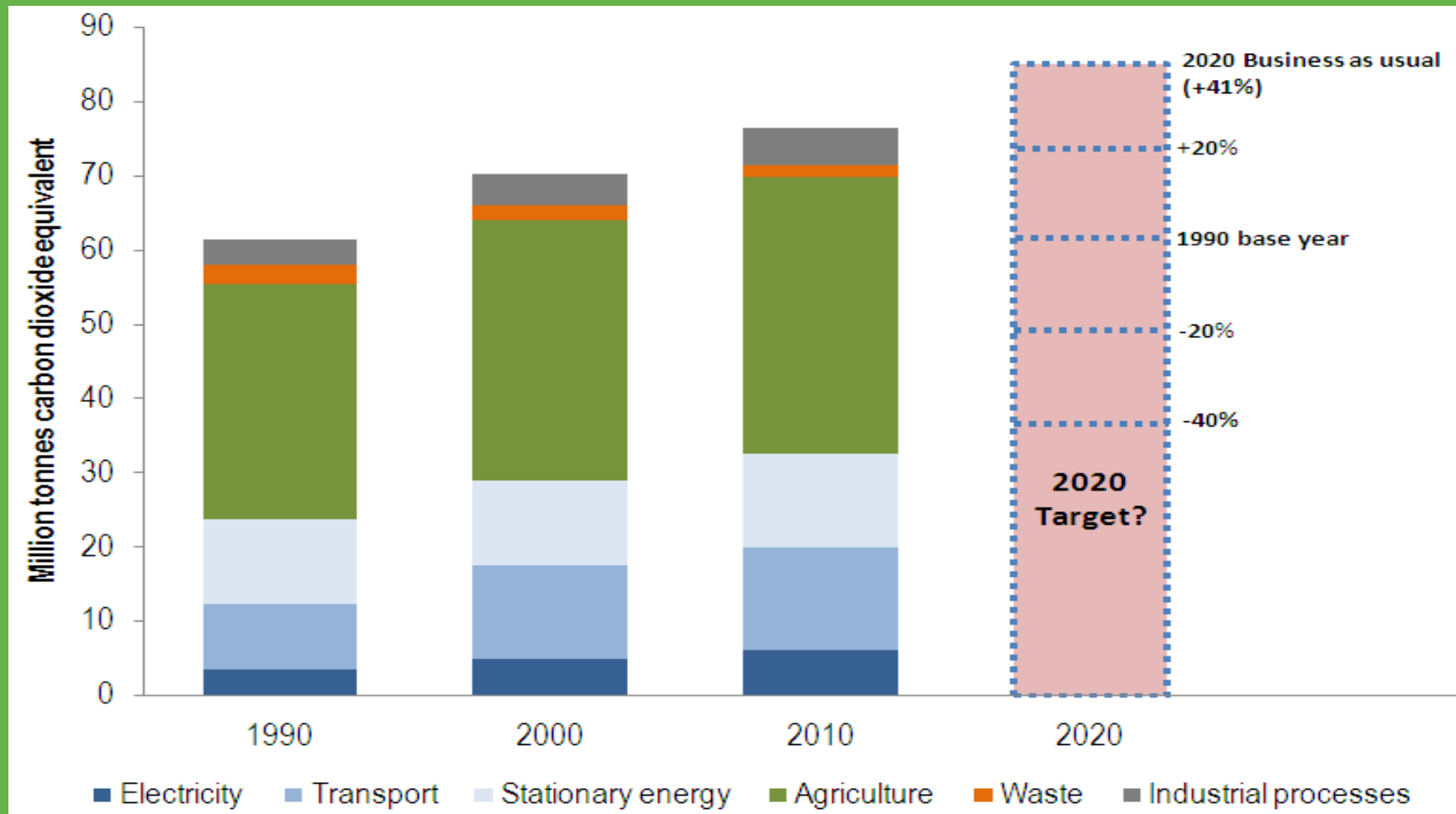
**Net forestation
1990-2007**



**New Zealand's total and net greenhouse gas emissions
and removals (historical and projected), 1990-2050**

New Zealand's 2020 Emissions Target

How do we set a 2020 Target for New Zealand?



Historical and projected changes in New Zealand's emissions by sector, and some possible target scenarios for 2020

Government Policy on Climate Change

Science requires response

- Greenhouse gas pollution poses real and significant risks to the global climate system and requires action now

Balanced approach

- NZ needs to carefully balance the environmental risks of climate change with the economic costs of reducing emissions

Post-2012 pact

- NZ must work hard to secure a post-2012 pact to reduce global emissions in which we commit to do our fair share

Pricing carbon pollution

- A cap and trade emissions scheme that puts a price on carbon pollution and rewards sinks is the most efficient means of NZ reducing emissions

Complementary measures

- Complementary initiatives will be required to help NZ homeowners, farmers and businesses adapt to climate change and to constraints on carbon pollution

Emissions Trading Scheme

- **Primary policy tool to put a price on carbon pollution**
- **Working on a modified Emissions Trading Scheme**
 - Awaiting report from Special Select Committee
 - Talks with Labour on a bipartisan approach
 - Talks with Australia on harmonisation
 - Amendments in line with National's 2008 ETS policy
- **Critical issues**
 - Timing of sectors' entry
 - Allocations for trade exposed industries
 - Price and trading constraints

Setting a 2020 Target

Advice required:

Scientific
Economic
Foreign affairs
Environmental










Facts to consider:

Impacts of climate change
Intergenerational equity
Costs to households and businesses

Purpose of public consultation:

Outline the issues
Discuss the options
Input public views into policy

Other Countries' targets

Country	Percentage of world emissions: 2007	Emissions change: 1990–2007	2020 target (adjusted to 1990 base year for ease of comparison, approximate only)	2050 target (adjusted to 1990 base year for ease of comparison, approximate only)
DEVELOPED COUNTRIES				
 New Zealand	0.2%	22.1%		Reduce emissions by 50% below 1990 levels.
 Australia	1.4%	30.0%	4% reduction unilaterally; 14% reduction conditional on efforts by major economies; about 24% reduction conditional on adequate global agreement.	Reduce emissions to 50% below 1990 levels.
 Canada	1.9%	26.2%	About a 3% reduction.	A reduction of about 50–65% on 1990 levels.
 EU-27	13%	–9.3%	20% reduction unilaterally; 30% reduction conditional on other countries' efforts.	
 Japan	3.5%	8.2%	8% reduction (domestic reductions only).	Reduce emissions to 55–80% below 1990 levels.
 USA	18.3%	16.8%	Return to 1990 levels (US Administration target).	Reduce emissions to about 80% below 1990 levels.
DEVELOPING COUNTRIES				
 China	20.3%	120.5%	Countries have agreed to protect the climate system on the basis of equity and according to their differing responsibilities and capabilities. Developed countries have agreed to take the lead. As developing countries' emissions and wealth grow, they will need to increasingly take on a share of the global effort.	
 India	5.1%	79.9%		
 Brazil	2.7%	54.7%		

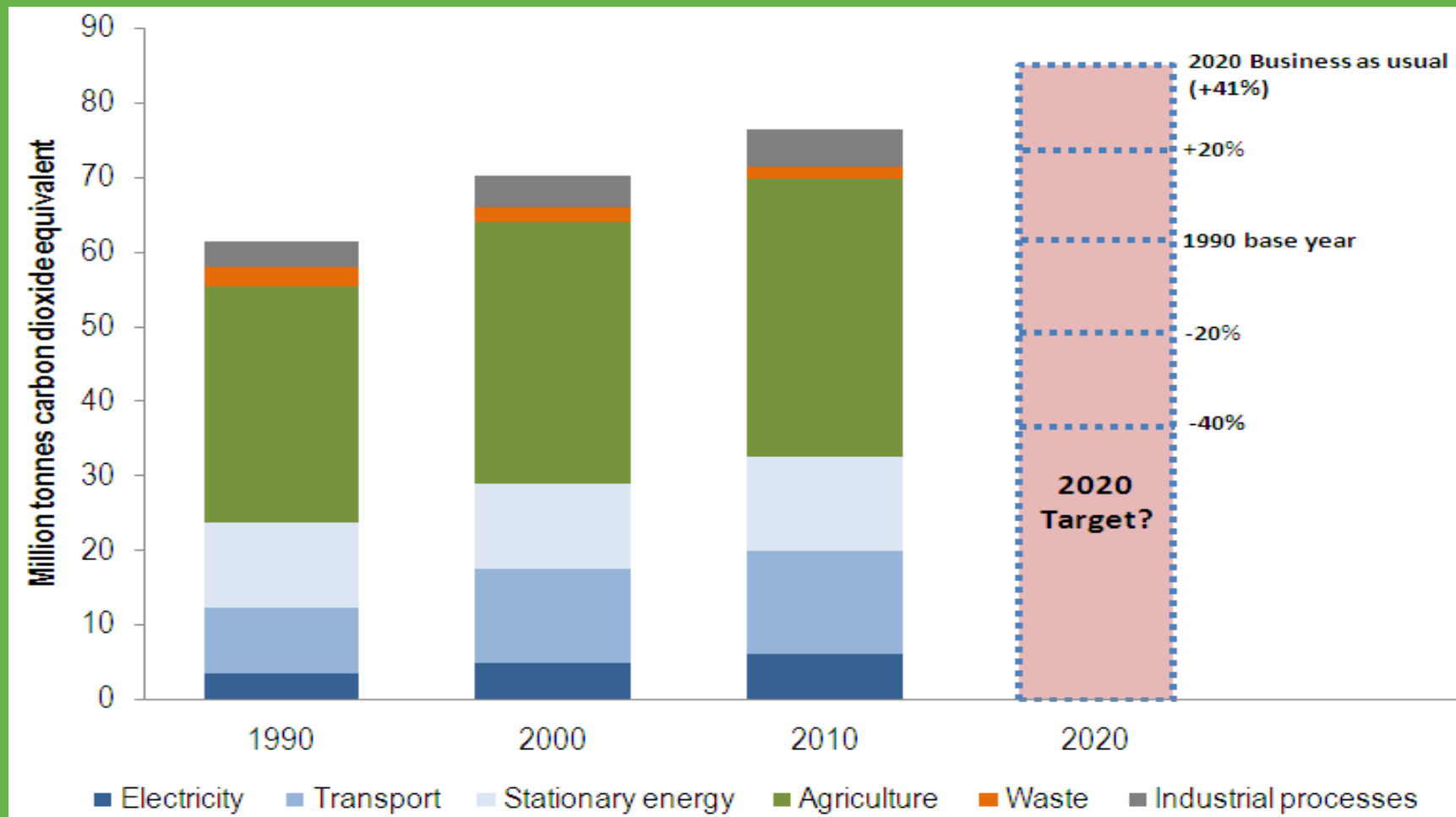
Previous Targets

- **1993 UNFCCC (ratified):** developed countries to aim to return emissions to 1990 levels by 2000
- **1995 NZ target (Upton):** "return net emissions of CO₂ to no more than the 1990 level by 2000 and maintain emissions at that level thereafter"
- **1999 NZ target (Hodgson):** Reduce Greenhouse gas emissions by 20% by 2005

Setting New Zealand's Target

Reasons for modest NZ 2020 target	Reasons for ambitious NZ 2020 target
<p data-bbox="129 454 719 582">Low GDP per capita among Annex I Parties</p> <p data-bbox="129 668 784 859">High cost of reducing emissions due to unusual emissions profile</p> <p data-bbox="129 945 910 1136">2nd highest population growth since 1990 among Annex I Parties</p>	<p data-bbox="961 454 1641 582">11th highest emissions per capita globally</p> <p data-bbox="961 668 1774 859">Vulnerability of the New Zealand economy to impacts of climate change</p> <p data-bbox="961 945 1717 1073">Importance of New Zealand's "clean and green" brand</p>

How do we set a 2020 Target for New Zealand?



Historical and projected changes in New Zealand's emissions by sector, and some possible target scenarios for 2020