Objectives for the contribution

1a. We have set the following three objectives for our contribution:

• it is seen as a fair and ambitious contribution – both by international and domestic audiences

• costs and impacts on society are managed appropriately

• it must guide New Zealand over the long term in the global transition to a low emissions world.

Do you agree with these objectives for our contribution?

While Coal Action Network Aotearoa does agree with these objectives, we’re not sure that your interpretation of these objectives is the same as ours, and we think you’ve missed a few.

• it is seen as a fair and ambitious contribution – both by international and domestic audiences

Neither the consultation document, nor the Government’s current policies, could be even vaguely described as either “fair” or “ambitious.”

Everybody has “unique national circumstances” and New Zealand’s are just another set. Poland argues it has “special circumstances” for its coal, and Saudi Arabia argues it will need to be compensated for its loss of income from oil when we phase out its use to stop climate change. They are generally laughed at by the international community.

If everybody argued they have “special circumstances” then all countries would end up back in their corners and would not be acting for the global public good. We should rise above this and think about the global good, because we risk global condemnation if we don’t. One example is New
Zealand siding with Russia and the Ukraine to oppose efforts to get rid of the massive Russian “hot air” issue that has been a problem for years – all to save the plantations of New Zealand.

According to the Climate Action Tracker’s effort-sharing analysis (the most comprehensive done so far, one that draws on 20 different scientific assessments of effort sharing), New Zealand’s 2020 target is rated “inadequate”. This means that if all governments were to put forward similarly low ambition levels, warming will likely exceed 3-4°C.

So our efforts to 2020, which we are going to overshoot considerably (projected increases on 1990 levels will be around 34%), but pay for though buying international credits and exploiting (and pushing for) land use loopholes, is certainly not in line with any international effort-sharing range that is consistent with a 2°C pathway.

And it is certainly not “our fair share” as the Government keeps insisting. We are widely viewed as an international laggard on climate change – our Pacific neighbours have given up looking to NZ to take a lead, and instead we end up on opposite sides of the table during climate negotiations as our delegation does its best to undermine strong global action, in an attempt to protect our “national circumstances.”

In 2009 (not 2010 as in your document) Prime Minister John Key agreed, along with other world leaders, to keep global warming to 2°C. Yet our own action is inconsistent with even New Zealand’s fair share of meeting this goal.

- costs and impacts on society are managed appropriately

To manage costs appropriately, one must first be honest about what those costs are.

The Government’s modelling documents ignore the potential costs of climate change impacts on New Zealand. While we these can be difficult to estimate, a quick look at the recent cost of droughts to our farming community will show us that the potential costs of climate impacts will be huge to New Zealand as we move into a warming world – indeed, we’re already feeling the effects: scientists tell us the 2013 North Island drought was exacerbated by climate change.

The Insurance Council’s estimates are that natural disasters (extreme storms, etc) will cost $1.6bn a year, every year. Why is this not factored into the modelling? For how many years in the future will we have to spend millions of dollars bailing out drought-stricken farmers?

According to our own Treasury, the costs to the Government of meeting our commitments without taking any domestic action are $52 billion. Yet this figure was conveniently omitted from the consultation document.

- it must guide New Zealand over the long term in the global transition to a low emissions world.

Indeed it must. There is no plan set out in the Government discussion document, and no pathway set out for us to make such a transition. If the Government continues to subsidise polluters, there is no disincetive for anybody to take any action to reduce emissions. Right now, we’re doing the opposite.

To guide New Zealand to a low emissions world, we have to start somewhere. And that would mean introducing policies that provide a disincetive for increasing fossil fuel use: Fonterra has now built a number of its new milk drying plants to operate on coal, signing contracts with both Bathurst Resources and Solid Energy to use domestic coal, thus driving up our emissions from coal burning. Bathurst is increasing its domestic coal production as a result, and Solid Energy is due to open a new
mine in the North Island to supply Fonterra. *There is no policy in place to stop them from doing this, no disincentives. If the ETS was working, Fonterra would not be using coal.*

**1b. What is most important to you?**

The most important thing is for New Zealand to **start cutting emissions now.** We cannot and should not rely on buying our way out of the problem through carbon trading and we should not push to extend LULUCF rules even further in order that we can avoid cutting real emissions at home. We need policies that drive us into a low carbon future, policies that would make Fonterra think again about using coal to fuel its boilers, for example.

We propose another objective:

**To do everything in our power to help the world hold warming to 2°C, by being a leader, not a laggard.**

**What would be a fair contribution for New Zealand?**

**2. What do you think the nature of New Zealand’s emissions and economy means for the level of target that we set?**

The nature of our emissions profile is an international embarrassment.

- New Zealand’s emissions, including LULUCF, grew 111% 1990-2012. Only one Annex 1 country is worse than us in this: Turkey. Exclude LULUCF, and we still rank 6th worst in Annex 1. Our per capita emissions are also really high, by global, OECD standards. This is because we have done so very little to actually reduce emissions.

- Our transport emissions are going through the roof, rising by 58.5% 1990-2012 (ref: UNFCCC data) – yet this is not made clear in the Government’s consultation document, nor the video.

The only remedial action suggested in this area is a hope that we will see a wide takeup of electric cars, a luxury many won’t be able to afford – and one that continues our reliance on cars and motorways. Our rising population is no excuse for the Government’s continued funding of large motorways and reduced funding of public transport. We have no fuel efficiency standards for cars – we are one of the only OECD countries not to have such standards.

- We have an enormous opportunity to attract low carbon industries and development of technologies, but we won’t do that by paying emitters to pollute. The “level playing field” industry uses to argue for its subsidies has changed dramatically. Why don’t you consider something like Obama’s climate plan, where there is now a requirement for all companies that supply the government to cut their emissions (note: he is not paying them to do this, but keeping a scorecard to measure their progress instead).

- Given that we are currently at 80% renewable electricity, it would be perfectly feasible for New Zealand to aim for 95% renewable energy in our electricity supply by 2030 – in line with the calls for the world to decarbonise our energy systems. A 40% cut in emissions by 2030 would put us in line with this goal. (But we need to have a plan in place to achieve this!)
However, given that a post 2020 agreement will not come into force for some time, we also consider that there needs to be a review of the adequacy of current commitments in 2025 – we cannot lock in emissions cuts now all the way through til 2030, not least because the action to date is simply not enough. **New Zealand must set a 2025 target and support the review of the adequacy of global commitments in 2025.**

### How will our contribution affect New Zealanders?

3. **What level of cost is appropriate for New Zealand to reduce it greenhouse gas emissions?** For example, what do you think would be a reasonable impact on annual household consumption?

Even if one believes the Government’s own calculations, the difference per household between a -5% reduction by 2030 and a -40% reduction by 2030 is $630 – or $12 a week. We expect that the average household would be able to afford this.

Moreover, the Government will pay $160 million this year in free emissions credits to our biggest polluters. That money would be better spent in making sure any costs don’t affect our poorest and most needy households. The ETS is broken without a cap on emissions – and there is no regulation in place to reduce the cost to taxpayers of paying these big emitters to pollute.

The Government’s modelling contains the most bizarre set of assumptions. To quote one commentator, who summed it up rather well:

- we will ignore the likely costs to society and the economy of a changing climate
- we will ignore any non-market tool for achieving emissions reductions by regulation
- we will ignore NZ’s international exposure to climate risk
- we will ignore anything that agriculture can do to reduce emissions, and assume that the rest of the economy will be happy to subsidise farming
- we will ignore anything that our forestry industry can do to plant trees and remove carbon from the atmosphere
- and we will assume that we can only meet our emissions obligations by buying overseas emissions units.
- We will assume there are zero co-benefits of climate action, such as health benefits.

**How will climate change affect New Zealanders?** As we stated earlier, this is a crucial question entirely ignored in any of the modelling, and an issue the Government is not spelling out to the public.

We are currently heading to a 4°C world, a world that is consistent with New Zealand’s current level of ambition. Where is the discussion about how much climate change we can all take? How many more storms? How much would 2°C of warming cost us? What will NZ look like in a 4degC world and are we ready for that? Do we really want to commit to that? By continuing to be a global laggard we are not encouraging anyone else to take ambitious action. **Put another way, we are relying on everybody else to do the work while we sit back and pollute.**
This will ultimately catch up with us. Our Pacific neighbours, some of whom are already feeling the effects of global warming, are looking to us to help them out, and to support them in their quest to, literally, keep their islands above water. How much more aid will we have to fork out for helping these countries deal with the likes of Cyclone Pam?

Of the opportunities for New Zealand to reduce its emissions (as outlined on page 15 of the discussion document), which do you think are the most likely to occur, or be most important for New Zealand?

All of them, and a lot more. *If we are going to set a strong target, which we should, we need a plan.* Coal Action Network Aotearoa has some ideas, starting with our use of coal.

- A ban on new coal mines across the country
- Increase royalties on current mining and drilling operations so that we get something back from it.
- Remove all subsidies from coal, oil and gas operations
- Shut Huntly power station.
- Start a “just transition” discussion and plan for the West Coast coal workers who’ve already been dumped by the Boom and Bust industry, and for all communities currently dependent on coal mining
- Stop deep sea oil drilling
- Bring in fuel efficiency standards for cars
- Redirect transport funding away from $12 billion in white-elephant motorway construction and back towards public transport and active modes.
- Mandate a decent feed in tariff for solar electricity to encourage domestic solar power, and encourage a decentralised energy system that will not cost the taxpayer millions in transmission lines.
- Bring back the home insulation scheme properly – not the watered-down, under-funded scheme that the Government has replaced the initial insulation scheme with. This will also cut household heating budgets (if they save $12 a week that would pay for the 40% reduction by 2030 target)
- Put a price on carbon, but recycle the income back into low carbon schemes and helping the poorest in our society cope with the costs.
- Stop paying big polluters to pollute.
- Put a cap on carbon under the ETS – because it is currently broken and useless. Either that or scrap it completely and introduce a carbon tax.
- Include agriculture in our ETS (or carbon tax) and encourage farmers to reduce emissions. There are a myriad ways that the dairy industry can reduce emissions today. The dairy industry not only gets a free ride, but, under this proposal, ordinary New Zealand taxpayers will be paying for the massive carbon credits to account for this free ride.
- Stop Landcorp converting forests to dairy. If the New Zealand Government was really concerned about forestry and planting more forests to offset our emissions, and had a good strategy in place, this would not be happening.
- Incentivise forestry planting.
Summary

4. **How should New Zealand take into account the future uncertainties of technologies and costs when setting its target?**

Be brave. Be bold. Be the leaders New Zealanders, turning up to the last-minute, yet still over-subscribed consultation meetings in their hundreds, have asked you to be.

Take a moral stand for something that is right. Stand up for our Pacific neighbours. And for future generations.

The future uncertainties of technologies are nothing compared with the future uncertainties of the climate system.

The world is undertaking a major shift to a low carbon future. Cities across the world - and states like California – are taking up low carbon technologies and transforming their futures – and New Zealand will simply miss out if we don’t take real action at home, now.

Other comments

5. **Is there any further information you wish the Government to consider? Please explain.**

- Fund scientific research into climate change. The IPCC’s last report noted that there was a lack of scientific research into the impacts – and potential impacts – of climate change on New Zealand and on our biodiversity.

- Centralise our planning system around things like sea level rise, which the Government is currently devolving to Regional Councils

*But above all, listen to the people, not the polluters.*