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# Submissions form

We seek your feedback on the specific proposals in the Zero Carbon Bill.

## 2050 target

1. What process should the Government use to set a new emissions reduction target in legislation?

Pick one:

- **The Government sets a 2050 target in legislation now, but as a living document which will allow for overall upward changes only, subject to Climate Commission recommendations.**
- **the Government sets a goal to reach net zero emissions by the second half of the century, and the Climate Change Commission advises on the specific target for the Government to set later.**

**Net zero emissions by 2050 at the latest, with emphasis on reducing emissions, rather than purchasing emissions credits or covering NZ in forests. All emissions credits to be domestically sourced wherever possible, and capped on an annual basis.**

2. If the Government sets a 2050 target now, which is the best target for New Zealand?

Pick one:

- net zero carbon dioxide: **Reducing net carbon dioxide emissions to zero by 2050**
- net zero long-lived gases and stabilised short-lived gases: **Long-lived gases to net zero by 2050, while also stabilising short-lived gases**
- net zero emissions: **Net zero emissions across all greenhouse gases by 2050.**

**A feebate-based taxation system targeting emissions and population management strategy will be essential in meeting our net zero emissions target by 2050 without having to build a vast network of hydro and wind generation plants to keep up with our population growth.**

**Closing and decommissioning of the Tiwai point aluminium smelter in order to free up a significant supply of electricity for electrification of our transport system will be necessary, if we are to avoid being obliged to build numerous hydro and wind generation facilities.**

3. How should New Zealand meet its targets?

Pick one:

- **Domestic emissions reductions only (including from new forest planting).**
- **domestic emissions reductions (including from new forest planting) and using some emissions reductions from overseas (international carbon units) that have strong environmental safeguards.**

**Emphasis on emissions reduction, not mitigation, but because the Bill should be a living document with cross-party support, strictly time-limited and capped use of overseas ICUs may be permissible *in extremis*.**

4. Should the Zero Carbon Bill allow the 2050 target to be revised if circumstances change?

Pick one:

- **Yes**
- **No.**

**But only subject to Climate Commission advice, and in an accountable manner.**

**Agriculture is likely to be the most impacted during the transition, so bringing that sector on board will be crucial to the success of meeting the 2050 goal, and the steps along the way.**

### Emissions budgets

5. The Government proposes that three emissions budgets of five years each (i.e., covering the next 15 years) be in place at any given time. Do you agree with this proposal?

Pick one:

- **Yes**
- **No.**

**And subject to mandatory review by government and the Climate Commission every 2.5 years to keep us on track.**

6. Should the Government be able to alter the last emissions budget (i.e., furthest into the future)?

Pick one:

- yes, each incoming Government should have the option to review the third budget in the sequence
- **Yes, the third emissions budget should be able to be changed, but only when the subsequent budget is set.**
- No, emissions budgets should not be able to be changed.

**Only subject to Climate Commission advice, and government accountability.**

7. Should the Government have the ability to review and adjust the second emissions budget within a specific range under exceptional circumstances?

Pick one:

- **Yes**
- No.

**Only within a framework of overall continuous advance towards the final 2050 goal.**

8. Do you agree with the considerations we propose that the Government and the Climate Change Commission take into account when advising on and setting budgets?

Pick one:

- **Yes**
- No.

**Recognising that consideration of unforeseen factors may be needed.**

## Government response

9. Should the Zero Carbon Bill require Governments to set out plans within a certain timeframe to achieve the emissions budgets?

Pick one:

- **Yes**
- No.

Emissions budget plans must be immune to short-term political gains and manoeuvrings if they are to have a lasting and meaningful effect, and must be set in a timely manner.

10. What are the most important issues for the Government to consider in setting plans to meet budgets? For example, who do we need to work with, what else needs to be considered?

1.) It will be fundamentally important to work with the primary industries (agriculture, forestry, fishing, and mining), the tourism, construction and transport sectors, and local governments to develop and effect a zero carbon economy.

2.) Getting the general public on board will present communication challenges in some mainly rural regions where conservative and entrenched political and environmental views are widely held.

3.) There is a stated assumption that we must keep on growing the economy, but no evidence is provided to support this position, nor is 'economic growth' defined. No consideration of a steady-state economy is explored, yet there can be little doubt that creating such an economy could have a positive effect on emissions reduction. Economic growth needs to be defined and appropriate to developing a zero carbon economy. There will be multiple opportunities for economic growth which are outside the traditional paradigm, and are likely to be innovative and disruptive. New Zealand businesses should be encouraged to 'get in on the ground floor'. There will also be casualties and job losses, so government support will be essential for re-training and support.

4.) Taxation policy will be fundamental to the success or otherwise of the attaining a zero carbon economy. Taxation reforms will need to promote CO<sub>2</sub> and CO<sub>2</sub>e reductions. It will be important to work with innovative taxation experts with a good grasp of the issues in hand, who are unconstrained by orthodox taxation thinking.

5.) Without a population management strategy, to be determined through nation-wide discussion, no matter how much we reduce emissions, that reduction will ultimately be cancelled out by the effects of population growth, and would also be likely to require a very large-scale expansion of our energy and transport infrastructures, which in turn could threaten New Zealand's indigenous biodiversity, landscape and quality of life. This is a conversation which the entire world must eventually have.

6.) As revealed in Wilkinson and Pickett's "The Spirit Level", which is a study of inequality in developed nations, net emissions are linked to wealth inequality, with emissions rising as inequality rises, so one of taxation's primary functions must be to restore equable wealth distribution in NZ, where wealth includes (but is not limited to) economic, social, educational, recreational, employment, health, religious and cultural dimensions.

7.) In order to fund government emissions reduction programmes, local and central governments need to wean away from borrowing from the private sector

and move to sourcing funds exclusively from the RBNZ, hence relieving themselves from the tutelage of largely overseas financial institutions. There does not appear to be any statutory requirement for government to borrow from the private sector, and only credit ratings by US credit rating agencies may force it to do so. Strategies to neutralise the effects of those ratings may be required. Backed by the productive capacity of New Zealand, credit from the RBNZ is surely more secure and concrete than that from the private sector.

8.) Because New Zealand is geographically remote, and dependent on international tourism and the import/export industry, it is particularly necessary to include emissions from international aviation and shipping in our emissions budgets. Anything less will give a false picture of those emissions, and will amount to a form of subsidised cheating. This is clearly an issue which must be addressed by all nations, especially those with a large import/export sector.

9.) Regarding the pastoral sector, well-proven emissions reduction strategies and practices already exist, and should be encouraged by feebate systems, using data obtained through satellite technology and ground inspections. Such emissions-reduction practices include well-researched modern pasture and herd management programmes, which can be applied as a first step, rather than waiting for a 'magic bullet' such as a vaccine.

10.) The clearing of indigenous forest on public and private land should become a nation-wide non-complying activity when not linked to the planting of equivalent areas of indigenous forest in the same ecological area, because these forests are an important carbon sink and store, as well as being an oxygen source, temperature and climate regulator, and store of indigenous biodiversity.

11.) Methane (CH<sub>4</sub>) breaks down in the atmosphere to carbon dioxide (CO<sub>2</sub>) and water (H<sub>2</sub>O), so while it may have a relatively short impact on climate in the methane state, it will add to atmospheric CO<sub>2</sub>, and should be included in CO<sub>2</sub> emissions budgets, based on formulae to calculate its contribution over time.

12.) Re-negotiation of all international trade and investment agreements, treaties and compacts etc., to ensure that the Government can govern in favour of emissions reductions without the fear of costly awards from lawsuits brought against NZ through the International Centre for Settlement of Investment Disputes (ICSID), the United Nations Commission on International Trade Law (UNCITRAL) and other tribunals by powerful overseas investors.

13.) A credible expert board of commissioners, free of conflicts of interest, appointed through a robust and transparent process and a capable secretariat with access to good quality data from across government will be crucially important. The board's range of expertise should include climate science, ecology, anthropology, sociology, economics, agriculture, technology, Te Tiriti and tikanga Maori, taxation, international trade and investment agreements, education, communication, psychology, IT and civil engineering.

14.) Collaboration between all govt departments in order to advance the transition will be crucial. A silo mentality between departments must be eliminated.

15.) Both public and private sectors should be required to report on progress in reducing emissions in order to avoid penalty fees.

## Climate Change Commission

11. The Government has proposed that the Climate Change Commission advises on and monitors New Zealand's progress towards its goals. Do you agree with these functions?

Pick one:

- **Yes**
- **No.**

**Subject to the Commission being made up of independent experts without commercial or financial conflicts of interest.**

12. What role do you think the Climate Change Commission should have in relation to the New Zealand Emissions Trading Scheme (NZ ETS)?

Pick one:

- **advising the Government on policy settings in the NZ ETS**
- **Makes decisions itself, in respect of the number of units available in the NZ ETS.**

**ETS settings should be reliably and predictably depoliticised and independent of government. The purchase of international credits should be a Commission decision. The settings should be based on the analyses carried out by or for the Commission.**

13. The Government has proposed that Climate Change Commissioners need to have a range of essential and desirable expertise. Do you agree with the proposed expertise?

Pick one:

- **Yes**
- **No.**

**No member of the Commission should have any conflicts of interest, and must also be an acknowledged expert in his or her field.**

**Those fields need to include: climate science, ecology, anthropology, sociology, economics, agriculture, technology, Te Tiriti and tikanga Maori, taxation, international trade and investment agreements, education, communication, psychology, IT and civil engineering.**

## Adapting to the impacts of climate change

14. Do you think the Zero Carbon Bill should cover adapting to climate change?

Pick one:

- **Yes**
- no

**Local authorities will need guidance on adaptation and risk analysis in developing plans and issuing consents. A prescriptive NPS may be appropriate for coastal areas.**

15. The Government has proposed a number of new functions to help us adapt to climate change. Do you agree with the proposed functions?

Pick one:

- **Yes**
- No.

**Reporting on adaption measures taken by public and private sectors will be essential in order to gauge progress.**

16. Should we explore setting up a targeted adaptation reporting power that could see some organisations share information on their exposure to climate change risks?

Pick one:

- **yes**
- No.

**See item 15 above.**

**END OF SUBMISSION.**

**9/7/2018**