

Your submission to Zero Carbon Bill

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Reference no: 12206

Submitter Type: Individual

Clause

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

Position

The Government sets a 2050 target in legislation now

Notes

I support a clear target being set now. This shows leadership and provide greater certainty. The business sector urgently needs this certainty to encourage innovation and investment in low carbon solutions. I recognise that this certainty will only be achieved with a bi-partisan approach and agreement, based on the science, between the Labour-led government and National-led opposition, as occurred in the UK.

Clause

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

Position

Net Zero Long-Lived Gases and Stabilised Short-Lived Gases - Long-lived gases to net zero by 2050 while also stabilising short-lived gases

Notes

As a minimum, I support Option 2. Under the Paris Agreement, developed countries are required to lead – that points to net zero longlived gases by latest 2050, preferably closer to 2040, on the basis that NZ does its share towards a target that offers a reasonable probability of < 2 degrees warming. It was also agreed to pursue efforts to limit the temperature increase even further to 1.5 degrees, which implies a transition to net negative emissions of long-lived gases within the same timeframes. The latest science suggests that short-lived gases, at least those arising from biological processes, should be considered separately and that stabilisation is the aim. The issue then is the stabilisation level. I suggest that is determined by the science and based on a recommendation from the Climate Change Commission (Commission). This approach could determine the warming impact of different levels of stabilisation, and also take into account methane release from thawing permafrost. Based on current scientific commentary, it seems likely that the stabilisation level for biological methane would need to be well below current levels. Methane leakage from fossil fuel extraction and distribution, should be reduced to zero by latest 2050. It should also be noted that there are other potential co-benefits, such as enhanced water quality, from a shift from high emissions agriculture to lower impact primary rural industries. I fully recognise that the transition to a net zero economy is a very significant challenge (which is well described in various recent studies, including Vivid Economics (2017)² and Paul Young (2017)³). But it is one that must be embraced in order for New Zealand to play its part in the global action needed to prevent 'run away' global warming and damaging climate change. Please also see the note on consumption-based emissions at the end of this submission. ² Net Zero in New Zealand: Scenarios to achieve domestic emissions neutrality in the second half of the century (Vivid Economics) - <http://www.vivideconomics.com/publications/net-zero-in-new-zealand> ³ Towards a 2050 Pathway for New Zealand: A Discussion Paper for Globe NZ (Paul Young) - <https://www.parliament.nz/media/4449/towards-a-2050-pathway-for-new-zealand-young.pdf>

Clause

3. How should New Zealand meet its targets?

Position

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

Notes

I strongly think that the clear priority, and expectation, should be given to domestic reduction activity through new forest planting and potentially other sequestration activities (e.g. soil carbon). But there should probably be an allowance for some use of environmentally robust carbon credits (units) from overseas (subject to the four tests specified on page 33 of the discussion document), as such credits could provide least cost abatement. I suggest that the Commission advises on the conditions when international credits could be considered, with the default being domestic activity. It is worth noting that there must be a question mark over the availability of overseas credits given most countries would need to make significant reductions to meet their own targets so are unlikely to have large quantities of credits available for export. Therefore, we should be very cautious in any assumptions on availability of credits for import to NZ.

Clause

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

Position

No

Notes

As noted in Q1, there is a need for certainty. Therefore, I do not think that the target should be revised, unless there are major changes in scientific knowledge or fundamental changes to international laws, agreements or systems. If so, that should be done through legislative change

Clause

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?

Position

Yes

Notes

This approach seems to provide the necessary certainty. Whilst a 'straight line' reduction pathway may not be appropriate for legislation it should be seen as a reference point/guide. We must be wary of low ambition for early periods, for two main reasons. First it might send the 'wrong message' and result in less incentive for action (thereby threatening the necessarily more ambitious reduction in later periods); and second it would mean the cumulative emissions for the whole period (to 2050) would be higher. Given the long-life of CO₂ and N₂O this would 'lock-in' additional warming. It is important to emphasise that it is the area under the emissions curve which determines the cumulative emissions, and contribution to warming, not just the end point.

Clause

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

Position

Yes - the third emissions budget should be able to be changed but only when the subsequent budget is set

Notes

Option 2 - Yes, but only when subsequent budget is set, and only under a short list of clearly defined exceptional circumstances. These exceptional circumstances (e.g. major earthquake) could be defined by the Climate Change Commission. It is very important that new governments are limited in their powers to alter budgets, given the need for certainty and to ensure necessary progress towards the 2050 target.

Clause

7. Should the Government have the ability to review and adjust the second emissions budget within a specific range under exceptional circumstances? See p36 Our Climate Your Say

Position

No

Notes

As noted in Q1, there is a need for certainty. Therefore, I do not think that the target should be revised, unless there is a very exceptional set of circumstances.

Clause

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? See p44 Our Climate Your Say

Position

Yes

Notes

YES. I support the considerations as outlined on page 44 of the discussion document.

Clause

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

Position

Yes

Notes

YES. The need for comprehensive and detailed plans is essential and should be established within 12 months of the setting of the budgets by the Climate Change Commission.

Clause

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?

Notes

The plans should be based on the advice given by the Commission when setting the budgets, such as areas of economy to focus on (as mentioned in the discussion document, page 42). The Government's policy plans to meet emission budgets should be comprehensive, fair (including just transition), cost-effective, environmentally sustainable (beyond carbon), and reflect a commitment to Te Tiriti o Waitangi. The government should undertake a full and transparent public consultation process, with all key stakeholders. I recommend that the Commission has a key role in critiquing the plan, prior to its final approval.

Clause

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? See p42 Our Climate Your Say

Position

Yes

Notes

I support the Climate Change Commission having two functions: (a) providing expert advice, and (b) monitoring our progress and holding the government to account. The Commission should not be a decision-making body. It would be inappropriate for it to have decision-making powers, given the potential impacts of any decisions – such decisions should be made by elected representatives. However, it is essential that there is full transparency over the advice given, and that the government should be compelled to publish a detailed response to the advice, providing clear reasons if the advice is not followed. The discussion document doesn't provide much information on the support mechanisms which could be available for the Commission, such as support staff (including research capability). It seems essential that there is adequate provision of such a support body. This support body could then undertake necessary research, including interfacing with relevant external groups (from academia, business/industry, central and local government, civil society groups) to inform target setting and the advice on plans.

Clause

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

Position

Advising the Government on policy settings in the NZ ETS

Notes

I support an advisory role for the Commission, for the same reasons as Question 11. And, like Q11, there should be full transparency and detailed responses if advice is not followed.

Clause

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? See p45 Our Climate Your Say

Position

Yes

Notes

I agree that the commissioners should be independent experts, rather than stakeholder representatives. I broadly agree with the list of essential and desired expertise, but I also recommend the inclusion of expertise in innovation and its development and deployment (including introducing new technologies from overseas). As noted in the response to Question 11, there is a clear need for a suitably funded support body, and sub-committees, for the Commission.

Clause

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

Position

Yes

Notes

I support the inclusion of adaptation within the scope of the bill. It seems prudent that this should be covered (as it is under the UK system), but the clear emphasis should be on mitigation (reducing our emissions).

Clause

15. The Government has proposed a number of new functions to help us adapt to climate change. Do you agree with the proposed functions? See p47 Our Climate Your Say

Position

Yes

Notes

I support an integrated approach, co-ordinated at a national level and led by central government. The current arrangement is piecemeal and very inadequate, with an unreasonable burden placed on local authorities.

Clause

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?

Position

Yes

Notes

I support NZ adopting a similar model as the UK, with a requirement for mandatory reporting by key organisations in the public and private sectors.

Clause

Do you have any other comments you'd like to make?

Notes

1. Consumption-based emissions The global carbon accounting system is based on a production-based approach. It is much easier

to account for emissions occurring within the national boundary. However, I think that the carbon 'conversation' needs to widen to include consumption-based emissions. Consumption-based emissions (also known as embodied, embedded or Scope 3 emissions) are the carbon emissions associated with producing the goods and services which we buy (including from overseas). We need to be more aware of the emissions associated with imported goods (and increasingly services) we use, so that action programmes are enhanced to look at reducing these consumption-based emissions. For example, a recent study by the C40 Cities Climate Leadership Group has shown that consumption-based emissions in Oceania cities are the highest of the 79 cities in the study. Therefore, I think there is one important gap in the discussion document - the sole focus on territorial-based emissions with no mention of consumption-based emissions. Typically for highly developed countries (like NZ), consumption-based emissions are higher than territorial-based emissions, for example UK (see below). UK example... Territorial-based emissions - 2015 = 492.4 mt CO₂e, 34% lower than 1995 (744.3 mt) Consumption-based emissions - 2015 = 847 mt CO₂, 19% lower than 1997 (1,042 mt) Consumption-based emissions 71% more than territorial-based emissions. Sources o

<https://www.gov.uk/government/statistics/provisional-uk-greenhouse-gasemissions-national-statistics-2017> o

<https://www.gov.uk/government/statistics/uks-carbon-footprint> Further analysis here - <http://www.emissions.leeds.ac.uk/> Motu has undertaken some consumption-based analysis for NZ - <https://motu.nz/ourwork/environment-and-resources/emission-mitigation/shaping-new-zealands-low-emissionsfuture/whos-going-green-decomposing-the-change-in-household-consumption-emissions-2006-2012/>. The work didn't include estimating total consumption-based emissions, but did produce an average household total of 15.6 t CO₂-e. So, I think the Zero Carbon Bill should include some consideration of consumption-based emissions, in addition to its primary focus being on territorial-based emissions. This could be as a subsidiary measure, including targets and associated advice and reporting. Of course, if there is comparable emissions reduction action globally then we can expect the 'embodied' emissions of imported goods and services to reduce as NZ's territorial-based emissions reduce. But, there is no guarantee that this will be the case, and the rate of reduction is likely to differ between countries. By including a consumption-based emissions element in our regulated system then the impact of our consumption can be appropriately monitored and form part of the communication of progress