Setting New Zealand’s post-2020 climate change target

Submission form

The Government is seeking views on New Zealand’s post-2020 climate change contribution under the United Nations Framework Convention on Climate Change (UNFCCC).

You can have your say by making a submission using this form or using the online tool available at www.mfe.govt.nz/more/consultations.

For more information about this consultation:

- Read our Consultation on New Zealand’s post-2020 international climate change contribution web page
- Read our discussion document: New Zealand’s Climate Change Target: Our contribution to the new international climate change agreement

Submissions close at 5.00pm on Wednesday 3 June 2015.

Publishing and releasing submissions

All or part of any written submission (including names of submitters), may be published on the Ministry for the Environment’s website www.mfe.govt.nz. Unless you clearly specify otherwise in your submission, we will consider that you have consented to website posting of both your submission and your name.

Contents of submissions may be released to the public under the Official Information Act 1982 following requests to the Ministry for the Environment (including via email). Please advise if you have any objection to the release of any information contained in a submission and, in particular, which part(s) you consider should be withheld, together with the reason(s) for withholding the information. We will take into account all such objections when responding to requests for copies of, and information on, submissions to this consultation under the Official Information Act.

The Privacy Act 1993 applies certain principles about the collection, use and disclosure of information about individuals by various agencies, including the Ministry for the Environment. It governs access by individuals to information about themselves held by agencies. Any personal information you supply to the Ministry in the course of making a submission will be used by the Ministry only in relation to the matters covered by this consultation. Please clearly indicate in your submission if you do not wish your name to be included in any summary of submissions that the Ministry may publish.
Questions to guide your feedback

Your submission may address any aspect of the discussion document, but we would appreciate you paying particular attention to the questions posed throughout and listed in this form. You may answer some or all of the questions. To ensure your point of view is clearly understood, you should explain your rationale and provide supporting evidence where appropriate.

Contact information

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<th>Name</th>
<th>Anton Pichler</th>
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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?

☑ Yes
☐ No

1b. What is most important to you?

That our contribution must guide NZ over the longer term in the global transition to a low emissions world. This should include an ambitious and credible plan to help deliver a zero net emissions target for NZ in the longer term 2050 – 2075 and an ambitious target reduction by 2030.

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?
New Zealand’s emissions mix, economy, geography and demographic change make it more challenging to sharply reduce emissions in the way that is being proposed by some other developed economies that are more reliant on energy-decarbonization.

However, we need to ensure that we set a credible and ambitious target reduction (e.g. 10-20% net reduction below 1990 levels by 2030) that fully acknowledges our part in solving this issues and our responsibility for mitigating a crisis for current and future generations.

Accordingly we need to ensure that the reduction targets we set are not based on ‘business as usual’ assumptions about the economy, land use and agriculture, or lifestyle in the medium to longer term. For example, we need to fully acknowledging the emission intensity (not to mention nitrogen and water impacts) externalities of agriculture and how that contributes to current emissions and future targets. By doing so we can assess whether or not existing agricultural practice makes economic and environmental sense, with the appropriate market signals and Government agenda setting.

Similar considerations should be given to how we understand other aspects of our lifestyles and their emissions impact – from transport policy to housing to energy efficiency and waste.

**How will our contribution affect New Zealanders?**

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

The presentation of the costs impact on households in the consultation document appears misleading. The cost impact is measured against a baseline of economic growth which appears to assume no negative consequences of climate change, nor positive benefits of a transition to renewables, energy efficiency or technology and lifestyle changes that may produce economic or well being benefits. With reports such as the New Climate Economy arguing that there are potential net economic benefits of a low emissions transition (let alone well being benefits) this approach needs consideration. Accordingly, given the large dis-benefits of insufficient action, New Zealand should position the costs as an investment.

Accordingly the question about ‘what level of cost’ needs to be approached with a full economic analysis. Secondly it should address the issues that neither emissions nor costs are evenly distributed. For example, as the majority of New Zealand’s emissions are derived from the agricultural sector and are in effect production emissions, costs should be borne by end-consumers. If that makes some New Zealand agricultural production un-economic then this economic signal should be taken to either change practice, innovate or change land use. Just as the direct benefits of the agricultural sector fall to a small sector of the population, the direct economic impacts should not be socialised.

Similarly, appropriate pricing and creation of alternative should help a significant reduction in transport emissions – where the emitter pays rather than costs spread across all households. And by capturing the benefits of potential alternatives – such as the economic, health and social benefits of increased public transport.
4. 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 the opportunities listed in the consultation document are happening already, but need to be encouraged and developed with a credible long term plan that incorporates policy and investment across central and local government and business.

To do this our institutions need to have:

- A holistic approach that joins up sustainable, economic and well-being thinking
- Clear policy and market signals (e.g. carbon price) that are designed to give long term certainty
- Road-maps for sustainable development where Govt or market agenda setters can co-ordinate on specific areas of low carbon transition (e.g. electric vehicles, waste management)
- Re-purposing of existing infrastructure and investment spend

Some examples would be:

- Coordination of central and local government on densification and public transport in Auckland
- Healthy homes that encourage energy efficiency and reduce respiratory disease (e.g. rental warrant of fitness, through to insulation programmes and updating building codes)
- An electric vehicle transition roadmap
- A framework for domestic renewable electricity and feed-in approach for utilities

The most important of the opportunities listed is around land-use change to encourage forest sinks, where New Zealand is already a very competitive nation. However, also not listed, is the potential for significant employment opportunities to develop in many high value add, skilled and potentially export-oriented economic sectors.

Summary

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

New Zealand’s reduction target should account for the adoption of emerging technologies and take a pragmatic approach towards the more uncertain development of longer term technologies. Many low emission technologies exist that can be exploited, or are progressing through a rapid and well understood innovation cycle (e.g. development of PV solar is well studied and has a well-documented output/cost development curve) and these need to be informing our plan.

To do this there are a number of approaches that New Zealand should take:
• On priority areas of technology development – technology roadmaps should be sponsored to ensure that the regulatory, policy, infrastructure (and if required, incentives) are in place to accelerate adoption – electric vehicles is a good example of this (esp as NZ’s potential to grow renewable electricity generation can displace fuel imports).

• We need to investigate potential policy or infrastructure changes where new technology can change market structures – for example, decentralising energy production or enabling incremental growth through small scale renewables, through to changing consumption/ownership patterns with the development of sharing or Uber-like services (collaborative consumption)

• Care needs to be given to making poor decisions around significant expenditures or investment that may lock-in high emission infrastructure, investment or behaviours (for example, extensive road-building)

• Additional investment will be required to accelerate technology development. This will need to be done domestically for issues of high importance (such as agriculture) or where we have a scientific or economic advantage in developing our low carbon economy. And it will need to be done collaboratively with emerging international efforts to tackle high priority areas of low carbon science and technology.

• Greater emphasis needs to be placed on ensuring that existing technologies can be developed that make use of existing resources to accelerate low carbon transition (e.g. encouraging biomass power generation (incl from dairy waste streams), adoption of a wood-pellet industry supporting more efficient domestic heating, public transport...) while dis-incentivizing new high emission developments (e.g. satellite commuter suburbs through to Fonterra’s new coal powered milk drying facility).

Other comments

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

New Zealand should seek to show international leadership in the forthcoming and future climate negotiations by putting forward and ambitious target backed with a credible plan. We should aim to lead negotiations on areas of current uncertainty such as carbon prices, agricultural emissions and land use (sequestration) that are important to set the right long term market and political signals.

New Zealand needs to take greater account of it’s zero carbon emissions future. To do this it is essential that proper political leadership is shown. To this effect, climate change and low carbon transition should be an area of cross-party collaboration to achieve stable long term policy, legislation and action. Importantly, this is required to create the right social and market signals for New Zealanders and New Zealand businesses to adapt. It is equally important that a holistic approach across Government departments is taken so that our policies and investments contribute towards reducing emissions while capturing positive co-benefits.

Domestic leadership is also required to work across our society to develop the appropriate roadmaps for change in areas of critical economic and social importance. These will have to include an important debate about how our current agricultural practices and resource extractive industries apportion benefits and costs across our society and how we want them to operate in the future.
I would like to see the current Government commit to actions that will start reducing emissions now and starting our low emissions transition in this term of parliament – regardless of what is agreed or not in Paris.

When your submission is complete

Email your completed submission to climate.contribution@mfe.govt.nz or post to Climate Change Contribution Consultation, Ministry for the Environment, PO Box 10362, Wellington 6143.

Submissions close at 5.00pm on Wednesday 3 June 2015.