

# Submission on Climate Change Commission Emissions Budget and Reduction Plan

**Meeting:** Council Briefing  
**Date of meeting:** 03 February 2020  
**Reporting officer:** Katy Simon, Policy Analyst

## Purpose/Ngā whāinga

To inform elected members about upcoming consultation on the Climate Change Commission's emissions budget and reduction plan and to seek direction on a potential submission.

## Context/Horopaki

The Climate Change Commission is an advisory body established under the Climate Change Response (Zero Carbon) Amendment Act 2019 (the Act). Their core work programme, as set out in Subpart 2 of the Act, includes developing advice on actions to reduce national emissions and meet [national 2050 emissions targets](#). They are releasing their first package of advice for consultation between 1 February and 14 March 2021. This package of advice will include:

- The proposed first three emissions budgets [2022-2025, 2026-2030, 2031-2035] and guidance on the first emissions reduction plan, which sets out how the emissions budgets could be met;
- Whether Aotearoa's first [Nationally Determined Contribution](#) sufficiently contributes to global efforts to limit warming above 1.5°C above pre-industrial levels, per the Paris Agreement;
- Potential reductions in biogenic methane that might be needed in the future.

Staff across Northland Te Tai Tokerau councils are preparing to put together a joint submission, which will be a collaborative process between staff across the councils who are responsible for climate change strategy, policy and planning. At the time of writing, staff have met three times to discuss scope, format and possible areas of feedback.

Staff see this submission as an opportunity to inform a new central government undertaking (the emissions budgets and emissions reduction plan), which will affect future local government responsibilities, resourcing and processes. The submission presents a critical opportunity to voice local government needs and speak to our unique role in the national low emissions transition.

The submission will include a joint cover letter and a series of submission points. The submission points will focus on the emissions budgets and emissions reduction plan. A paper will be prepared for the 24 February Council Meeting, where elected members will be able to review the cover letter and submission points well in advance of the submission closing date.

## Discussion/Ngā kōrerorero

This section describes the emissions budget and emissions reduction plan. This information comes directly from the Climate Change Commission [website](#). The information is introductory because, at the time of writing, the package of advice has yet to be released.

### Emissions budget

An emissions budget is the cumulative amount of greenhouse gases that can be emitted over a certain period. Our [Climate Change Commission] role is to provide independent advice to enable the Minister to set emissions budgets. We don't set the budgets ourselves. Emissions budgets are multi-year emissions limits. They:

- Are a pathway for Aotearoa to meet the 2050 emissions target
- Total the emissions of all greenhouse gases permitted during the period
- Must be met, as far as possible, through domestic emissions reductions and removals

- Are accompanied by an emissions reduction plan setting out policies and strategies for meeting the budget.

From December 2021, there must be one current and two prospective emissions budgets in place at any one time. For the budget period for 2022 - 2025, 2026 - 2030 and 2021 - 2035 the budget must be in place by 2021 and the Commission must provide advice by 31 May 2021.

### **Emission reduction plans**

The Commission's role is to provide advice on the direction of the policy required in the emissions reduction plan. An emissions reduction plan contains policies and strategies to reduce emissions and increase removals to meet the emissions budget. A plan must include:

- Policies targeted to different industries or sectors, to help them reduce emissions and increase removals. (Removals refers to the process to remove greenhouse gases from the atmosphere and sequester/lock them away for long periods of time)
- A strategy looking at how all industries or sectors can meet emissions budgets and adapt to the effects of climate change
- A strategy to mitigate the impacts that reducing emissions and increasing removals will have on employees and employers, regions, Iwi/Māori, and wider communities, including funding for any mitigation action
- Any other policies or strategies the Minister considers necessary
- The Commission's monitoring reports on emissions budgets will also assess the adequacy of and progress in implementation of the emissions reduction plan.

As with the emissions budgets, the Minister has agreed to extend the timeframe for delivery by 1 February to on or before 31 May 2021 because of Covid-19.

For the emissions reduction plan covering the budget period 2022 – 2025, the Commission must provide advice by 31 May 2021.

### **Likely submission format**

1. Cover letter
2. General, shared points
  - i. Schedule of any specific council amendments to submission point
3. District council's-specific points
  - i. Schedule of any specific district council amendments to submission point
4. Regional council-specific points

As necessary, we will include under each submission point a schedule of subpoints where each council can contextualise, add to or amend points. We have chosen this style of submission in order to amplify councils' voices while also observing each individual council's right to change or differ on specific points.

### **Submission points**

Staff agree that the emissions budget and emissions reduction plan will affect councils' organisational processes and the services we provide. While we cannot include specific points of submission at the time of writing this reporting, we have identified core areas of feedback that we will seek to include. Likely points of feedback are:

- Need for standards and guidelines on considering carbon emissions in the resource consent process, on emissions measuring and reporting, and on emissions removal and offsetting.
  - Is there clearly identified responsibility for tracking carbon budgets between regions? (likely to recommend a central government agency holds responsibility)

- Does the emissions reduction plan include establishment of a government off-setting scheme in order to ensure consistency and help local government adhere to any emissions off-setting standards?
- Consideration of constraints to local government's ability to fund emissions reductions given the rating base, particularly considering existing obligations around waste minimisation, transport, three waters reform and infrastructure renewals. The upfront capital investment required may be outside councils' abilities to fund.
- Whether the emissions reduction plan sufficiently considers the opportunities for carbon mitigation presented in three waters reform and other local government reform.
- Does the emissions reduction plan enable a just, equitable transition to low emissions, especially in terms of local economy and rural community support? Is there clear signalling or commitment of provision of funding opportunities and low-interest loans to enable a transition to a local low-carbon society?
- Need for guidance and support for councils Mana Whenua partners and ensuring genuine partnership in development of low emissions plans. Do the budgets and reduction plan ensure that low-emissions policies, programs and rules do not unequally disadvantage Māori?

Once the Climate Change Commission releases the advice package and full content is made available, staff will likely refine and/or expand these points and add additional points.

### **Next steps/E whaiake nei**

Staff across the Northland councils will draft a cover letter and schedule of submission points. These two documents will go to Council for review and recommendation for approval at the February 24<sup>th</sup> Council Meeting.