

Climate Change Chief Executives Board

Meeting papers

Monday 18 November 2024

3:45 - 5:00pm

CLASSIFICATION



Karakia

Karakia timatatanga: opening

Tuia i runga Unite above

Unite below Tuia i raro

Tuia i roto Unite without

Unite within Tuia i waho

Listen to the night Tuia i te here tangata

Ka rongo te pō Listen to the world

Ka rongo te ao Now we come together

Haumi ē, Hui ē, Tāiki ē As one.

Karakia whakakapi: closing

Kia whakairia te tapu Restrictions are moved aside

Kia wātea ai te ara So the pathway is clear

Kia turuki whakataha ai To return to everyday activities.

Haumi ē, hui ē, tāiki ē



Change Chief Executives Board AGENDA

Monday 18 November 2024, 3:45-5:00pm Online via MS Teams

Attendees	James Palmer (Chair, MfE), Carolyn Tremain (MBIE), Dave Gawn (NEMA), Penny Nelson (DoC), Paul James (DIA), Aaron Martin (CL)
Delegates	James Beard (TSY), Julie Collins (MPI), Ruth Fairhall (MoT), Victoria Hallum (MFAT)
In support	Jane White, Amy Tisdall, Rachael Church (CCIEB Unit), Katherine Wilson, Sam Buckle (MfE)
Apologies	Audrey Sonerson (MoT), Bede Corry (MFAT), Ray Smith (MPI), Struan Little (TSY)

Previous meeting: 18 October 2024	Current meeting: 18 November 2024	Next meeting: 11 December 2024
Context sharing updates Adaptation Framework update NDC update Target 9 reporting and ERP2 update Response to CCC's NAP progress report	Context sharing updates Adaptation Framework update CPMG preparation - NDC2 Protocol for ETS announcements and other market sensitive information releases	Context sharing updates CPMG debrief COP29 download Reflection on 2024 and looking ahead to 2025

	Board-only time					
#	Time	Item	Recommended actions			
	Chair's opening comments / karakia tīmatanga					
1	15 mins 1545-1600	Welcome / Board-only: context sharing updates Lead: Chair / All Roundtable discussion for sharing any updates on ministerial priorities or climate-related context				
2	15 mins 1600-1615	Adaptation Framework update Lead: Chair / Katherine Wilson (MfE) The purpose of this item is to discuss the approach to	- Note the update provided and			
		getting policy decisions for the adaptation framework leading into the introduction of legislation 9(2)(f)(iv)	discuss the proposed scope, sequencing and ambition of policy decisions sought in 2025			
3	35 mins 1615-1650	CPMG preparation – NDC2 Lead: Chair / Sam Buckle (MfE)				
		NDC2 is due to the UN by 10 February 2025. MfE is preparing options for the NDC2 target, building from ERP2 analysis. Cabinet decisions will be sought in January (following ECO on 18 December). CPMG on 9 December provides an opportunity to gain agreement on the level and form of New Zealand's NDC2, ahead of Cabinet.	Note NDC2 is due to the UN by 10 February, with ECO to make decisions in late December on a target, following CPMG on 9 December Agree positioning of advice to			
		The CPMG agenda is attached. Note the Board has dedicated time to provide advice to CPMG on setting NDC2 before the Ministerial discussion.	CPMG, in particular, the key messages for the Board to relay at the meeting			
		The purpose of this item is to discuss the strategy and positioning of material for CPMG and agree the Board's key messages on NDC2.				
		Supporting papers: 3.1 Slide pack: Setting New Zealand's second Nationally Determined Contribution 3.2 Draft CPMG agenda for 9 December 2024				

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4	5 mins 1650-1655	Protocol for ETS announcements and other market sensitive information releases Lead: Mark Vink (MfE) 9(2)(f)(iv) Supporting papers: 4.1 Protocol for ETS announcements and other market sensitive information releases	9(2)(f)(iv)			
	Any other business					
5	5 mins 1655-1700	Meeting administration Lead: Chair / Jane White (CCIEB Unit) The Board is asked to approve the minutes of the previous meeting, held on 18 October 2024. Supporting papers: 5.1 Minutes of previous meeting, 18 October 2024 5.2 Revised minutes of meeting held 24 July 2024* 5.3 Actions register as at 18 October 2024 *Revised at the request of the Climate Change Commission and provided for Board's awareness	 Approve the minutes of the previous meeting held on 18 October 2024 Note the revised minutes of the meeting held on 24 July 2024 Note the open actions 			
		Chair's closing comments / karakia whakar	nutunga			

Paper 4.1 is withheld in full under section 9(2)(f)(iv) of the Act

Paper 5.2 is publicly available at: https://environment.govt.nz/assets/2024-09-18-Pack-2-of-2-CCCEB-noting-papers-18-September-Final-REDACTED.pdf



Item 2

		COVERSHEET: Item 2		
То	Climate Change Chief Executives Board			
Meeting date	18 Novem	18 November 2024		
Agenda item name	Adaptatio	on Framework update		
Item lead	Chair / Ka	atherine Wilson		
Lead agency	MfE			
Verbal update	Yes⊠	No□ Supporting paper Yes□ No⊠		
Reason for Board's consideration		The purpose of this item is to discuss the approach to getting policy decisions for the Adaptation Framework leading into the introduction of legislation $9(2)(f)$ (iv)		
Recommendations		Note the update provided and discuss the proposed scope and approach to policy decisions in 2025		
Has the Board	Yes⊠	No ☐ Date 18 October 2024		
previously considered this item, if so, when?	meeting. I the econd	rd received an update on the Adaptation Framework at their 18 October. It was noted that the Adaptation team would work with DCEs to help build omic case for investment, particularly around infrastructure and ent in risk reduction.	d	
Has this item been	Yes⊠	No ☐ Date 11 September 2024		
considered/endorsed by Climate DCEs?	meeting. I	eived an update on the Adaptation Framework at their 11 September It was noted the Adaptation team would be working with agencies to e intersection between the Adaptation Framework and other work mes.		
Will this item be going	Yes⊠	No ☐ Date 18 December 2024		
Government's response to the recommendations of the Committee, and the Government's response to the Clim progress report on the implementation and effectivenes Adaptation Plan. The Minister will decide in late Novem whether this paper will append a 'cross-government wor the links between the framework and other relevant wo		ster of Climate Change will take a paper to ECO on 18 December with the nent's response to the recommendations of the Finance and Expenditure ee, and the Government's response to the Climate Change Commission's report on the implementation and effectiveness of the first National on Plan. The Minister will decide in late November/early December this paper will append a 'cross-government work programme' setting out between the framework and other relevant work programmes. ster is looking to take final policy decisions to inform drafting of legislation iV).		
Relevant Cabinet decisions and dates				



Item 3

		COVERSHEET:	Item 3			
То	Climate Change Chief Executives Board					
Meeting date	18 November 2024					
Agenda item name	CPMG pre	paration – NDC2				
Item lead	Chair / Sai	n Buckle				
Lead agency	MfE					
Verbal update	Yes□	No⊠	Supporting	paper Yes		No□
Reason for Board's consideration	NDC2 is due to the UN by 10 February 2025. MfE is preparing options for the NDC2 target, building from ERP2 analysis. Cabinet decisions will be sought in January (following ECO on 18 December). CPMG on 9 December provides an opportunity to gain agreement on the level and form of New Zealand's NDC2, ahead of Cabinet. The purpose of this item is to discuss the strategy and positioning of material for CPMG and agree the Board's key messages on NDC2.					
Recommendations	 Note NDC2 is due to the UN by 10 February, with Cabinet to make decisions in late December on a target Agree positioning of advice to CPMG, in particular, the key messages for the Board to relay at the meeting. 					
Has the Board	Yes⊠	No 🗆	Date	18 October 20)24	
previously considered this item, if so, when?	The Board discussed NDC2 at their meeting on 18 October. The Board:					
	• noted New Zealand's NDC2 is due with the UNFCCC by 10 February 2025					
	noted initial options prepared for the Minister of Climate Change on NDC2					
	provided feedback on how to frame NDC2 options for Ministers ahead of ministerial bilaterals, CPMG discussion, and Cabinet consideration.					
Has this item been	Yes⊠	No 🗆	Date	8 November 2	2024	
considered/endorsed by Climate DCEs?	DCEs discussed draft NDC2 material at their meeting on 8 November and noted:					
S	need to include economic analysis around different target levels					
	work is underway with agencies to describe sector impacts for various scenarios					
	 data and methodology issues between CCC advice and advice being prepared by officials 					
		- :	between CCC advice a	ind advice bein	g prepa	red by
Will this item be going to CPMG or Cabinet?		- :	Date	CPMG 9 Dece		

D R A F T Climate Priorities Ministerial Group Meeting				
Date	9 December 2024	Time	7.30 to 8.30pm	
Venue	Ministerial Meeting Room, Level 2, Exe	cutive Wing, Parliament	Buildings	
Attendees	Hon Nicola Willis – Minister of Finance; Hon Chris Bishop – Minister of Infrastrutousing Hon Simeon Brown – Minister for Energy Hon Todd McClay – Minister of Agricul Rt Hon Winston Peters – Minister of For Minister of Formal High-interest members Hon Mark Mitchell, Minister for Emerge Hon Tama Potaka, Minister of Conserved Hon Penny Simmonds, Minister for the Hon Chris Penk, Minister for Building and Hon Shane Jones, Minister for Regional Hon Mark Patterson, Minister for Rural	Hon Simon Watts – Minister of Climate Change Hon Nicola Willis – Minister of Finance; Associate Minister of Climate Change Hon Chris Bishop – Minister of Infrastructure, Minister Responsible for RMA Reform, Minister of Housing Hon Simeon Brown – Minister for Energy, Minister of Transport, Minister of Local Government Hon Todd McClay – Minister of Agriculture, Minister of Forestry, Minister for Trade Rt Hon Winston Peters – Minister of Foreign Affairs		
Apologies				

Meeting	Meeting open – Welcome				
#	Time	Agenda Item	Recommendations		
1	5 mins	Welcome / confirm purpose of meeting Chair: Hon Simon Watts			
		 Meeting objectives: Note that ERP2 is expected to be published in early December and the 2025 focus will be preparation for delivery of the Plan Discuss and agree core elements of the NDC2 target as outlined in the Cabinet paper, ahead of ECO on 18 December and submission of NDC2 by February 2025 Note upcoming decisions in 2025, including Adaptation Framework 9(2)(1)(1)(1)(1), making decisions on EB4; whether to revise the 2050 target; decisions post methane target review 			
2	5 mins	Update from COP 29 Lead: Hon Simon Watts			

3	40 mins	Setting the second National Determined Contribution (NDC2)		
Part 1	15 mins	Climate Change Interdepartmental Board advice to inform a pre-Cabinet conversation on Nationally Determined Contribution 2 (NDC2) Lead speaker: James Palmer (Chair of the Climate Change Interdepartmental Executive Board) and other members of the Board		
		Context: James Palmer, Chair of the Interdepartmental Executive Board will set out the requirements for NZ to communicate its second Nationally Determined Contribution (NDC2) to the UNFCCC by 10 February 2025. This will be New Zealand's international climate mitigation target covering the period 2031-2035. Under the Paris Agreement rules, it is required to be a progression on NDC1 and should reflect our judgement of New Zealand's highest possible ambition. The Government has choices about how it sets NDC2 and what factors to prioritise in this decision. James will also provide a progress update on NDC2 and present a range of options for Ministers to discuss. Analysis of New Zealand's position with respect to international peers is being undertaken as part of this work. Risks and issues: NDC2 decisions should consider a range of factors including New Zealand's contribution to the Paris Agreement's global temperature goals (noting we are a developed country so will be expected to do more than the global average), the cost and feasibility of delivering a target, and international reputation and standing against other countries. There are trade-offs between these factors - the more ambitious a target, the more it supports the global effort but the higher cost and challenge to deliver. Supporting papers: Draft Cabinet Paper	Note the advice provided by the Climate Change Interdepartmental Executive Board	
Part 2	25 mins	Ministerial discussion Lead facilitator: Minister Watts		
		Decisions required: Ministers to discuss the options for setting NDC2 and the recommended option to take to Cabinet for approval.	Discuss the options for setting NDC2 and recommendations for Cabinet.	
4	10 mins	Looking ahead to 2025 Lead speaker: Minister Watts		
,		 Adaptation Framework Making decisions on EB4 Whether to revise the 2050 target Decisions post Methane Science and Targets Review 		

Indicative forward agenda items			
Date	CPMG focus area	Discussion topic	
Feb 2025	Adaptation	Emerging policy positions for the Adaptation Framework	



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Paper 3.2 DRAFT

COVERSHEET: Item 4					
То	Climate 0	Climate Change Chief Executives Board			
Meeting date	18 Nover	18 November 2024			
Agenda item name	Protocol	Protocol for ETS announcements and other market sensitive information releases			
Item lead	Mark Vin	Mark Vink			
Lead agency	MfE	MfE			
Verbal update	Yes⊠	No□	Supporting paper	Yes⊠	No□
Reason for Board's consideration	9(2)(f)(iv)			

Recommendations	9(2)(f)(iv)



Item 5

COVERSHEET: Item 5							
То	Climate Change Chief Executives Board						
Meeting date	18 November 2024						
Agenda item name	Meeting administration						
Item lead	Chair / Jane White						
Recommendations	Approve the minutes of the previous meeting, held on 18 October 2024						
	Note the revised minutes of the meeting held on 24 July 2024						
	Note the register of open actions, as at 18 October 2024						
Comments	The minutes of the Board meeting held on 24 July 2024 have been amended to clarify that the Climate Change Commission was able to share the preliminary findings publicly provided to the Finance and Expenditure Committee.						
	A copy of the revised minutes is included with today's meeting papers. The revised paragraph is highlighted.						



Climate Change Chief Executives Board MEETING MINUTES

Friday 18 October 2024, 10:00-11:30am Online via MS Teams

Attendees	James Palmer (Chair, MfE), Audrey Sonerson (MoT), Paul James (DIA), Penny Nelson (DoC), Ray Smith (MPI), Aaron Martin (CL)			
Delegates	James Beard (TSY), James Hartley (MBIE), Jenna Rogers (NEMA), Victoria Hallum (MFAT)			
In support	Nadeine Dommisse, Sam Buckle, Katherine Wilson, Hamish Slack (MfE), Jane White, Amy Tisdall, Rachael Church (CCIEB Unit)			
Apologies	Apologies Bede Corry (MFAT), Carolyn Tremain (MBIE), Dave Gawn (NEMA), Struan Little (TSY)			
# Itama	Actions			

| Item | Actions

Chair's opening comments / karakia tīmatanga

1 Board-only time / context sharing

The Chair opened the meeting and noted the apologies received.

OSC update

The Chair noted he had attended the Officials Strategy Committee (OSC) meeting last week to discuss the Target 9 A3 going to the Cabinet Strategy Committee (STR) on 22 October.

OSC were comfortable with the material and general positioning that we are on track for EB1, and that the proposed package of policies in ERP2 is sufficient to meet EB2 at this stage.

OSC noted that dynamic economic variables may impact on current tracking, which would require Ministers to explore options to further reduce emissions. These have been worked on collectively and are reflected in the advice on ERP2.

The Minister of Climate Change (MCC) has indicated he would like to focus on Target 9 alone at the STR discussion, leaving EB3 projections and NDC conversations for ministerial meetings in December.

[Further minutes were not taken in Board-only time]

2 Adaptation Framework update

Lead: Nadeine Dommisse (MfE)

The Chair noted that the ministerial meeting with the Independent Reference Group, which had been scheduled for 15 October, was deferred. The papers circulated ahead of the planned ministerial meeting have highlighted for Ministers the need to understand how their portfolios intersect with adaptation. Bilateral meetings are being arranged between the MCC and key colleagues, to discuss how their work programmes can contribute to the Adaptation Framework.

MfE's Adaptation team proposes to work with the Climate DCEs group to collate data to help build the economic case for investment, particularly around infrastructure and investment in risk reduction. The intention is to understand what information agencies already have to quantity the benefit from investment in infrastructure. The Board would like a report back on this

[Continued on next page]

MfE Adaptation team to work with Climate DCEs to collate data to help build economic case for investment, particularly around infrastructure and investment in risk reduction, with report back to Board to follow.

Lead: MfE Adaptation team (with agencies)

Discussion points:

- Given the amount of infrastructure investment across government, the scope of work needs to be clearly defined.
- It is intended that the scope of work will be aligned to the built environment and Government priorities, particularly work programmes coming to a Ministerial decision point over the next nine months.
- Alignment with Treasury Infrastructure unit and the Regional Infrastructure Fund will be important in defining the scope of work.
- Discussed whether the bilateral approach was the most effective way
 to engage Ministers or whether needed to get a group of Ministers
 together so Ministers could lay out their ambition in this space and
 surface any difference in opinion. Noted that CPMG in the new year
 will need to be an adaptation focused meeting.

The Board:

- 2.1 noted the proposal for MfE's Adaptation team to work with climate agencies to compile an evidence base on the long-term economic benefits from near-term investment in resilience, with a particular focus on infrastructure, including hazard protection infrastructure
- 2.2 noted the Climate DCEs will coordinate the work to collate data across agencies and will undertake a scoping exercise before providing a report back to the Board.
- NDC update (verbal update on NDC1; progress update on NDC2)
 Lead: Sam Buckle (MfE)

NDC1 and international climate mitigation update

Noted COP29 in November, followed by the first Biennial Transparency Report (BTR) due before the end of 2024, which will be first time New Zealand has officially reported on progress towards NDC1.

For COP, the Minister will have a narrative about how we are tracking against domestic targets, the ERP2 discussion document and the sense of direction for ERP2. This will include how we are supporting international cooperation.

The BTR is due at the same time as ERP2 It also will include a narrative that captures both the domestic and international progress towards meeting NDC1. A high-level narrative on progress towards international cooperation under Article 6 of the Paris Agreement is also being developed. This includes identifying potential cooperation activities, establishing working level relationships, and building capacity for market engagement. The BTR notes there is potential for these partnerships to result in access to international markets in the future.

6(a)

We are looking to align the data so we have the same story about how we are tracking towards targets.

Discussion points:

The Board discussed whether the NDC narrative could outline New Zealand's intention to work with the agricultural industry on technological innovations, given half of New Zealand's emissions are from agriculture, highlighting the commitment to making reductions where achievable.

It was noted that this would need careful consideration and would fit with a longer-term narrative.

NDC2 update

New Zealand's NDC2 needs to be submitted to the United Nations Framework Convention on Climate Change (UNFCCC) by 10 February 2025. It is expected that this will be a progression of NDC1, outlining New Zealand's highest level of ambition.

The MCC is looking to align New Zealand's international commitment with the domestic emissions budget as much as possible, noting challenges related to long-term emissions reduction.

MfE is working on options for a range of scenarios that will allow consistency with the expectation that New Zealand's NDC2 is a progression of NDC1.

The MCC intends to have bilateral meetings with key colleagues to discuss the approach and intends to submit a paper to Cabinet in December, or by early February 2025 at the latest, to meet timings for NDC2 submission to the UNFCCC.

Discussion points:

The Board noted the challenges for coalition Ministers to navigate in setting New Zealand's NDC2, including the tight timeframe as well as timing considerations for Cabinet discussions.

9(2)(f)(iv)

The Board noted that the December CPMG meeting will be focused on NDC2. Encouraging Ministers to prioritise attendance will be important given the tight timeframes.

Having a list of countries with an emissions profiles similar to New Zealand, including their intentions around setting the next NDC2, would be useful for Ministers e.g. the small advanced economies.

9(2)(h)

The Chair noted the Board will discuss NDC further at their next meeting, ahead of the CPMG meeting in December.

The Board:

- 3.1 **noted** New Zealand's NDC2 is due with the UNFCCC by 10 February 2025
- 3.2 **noted** initial options prepared for the Minister of Climate Change on NDC2
- 3.3 **provided feedback** on how to frame NDC2 options for Ministers ahead of ministerial bilaterals, CPMG discussion, and Cabinet consideration.

4 Target 9 and landing ERP2

Lead: Sam Buckle (MfE) / Jane White (CCIEB Unit)

The Board noted the Target 9 report has been endorsed by DCEs for submission to DPMC today. The report has also gone to the MCC for approval today.

Additional feedback can be provided to the Climate IEB Unit for inclusion in the final report before it is provided to DPMC.

[Continued over page]

9(2)(f)(iv)

The Board has received a copy of the A3 which MCC will be using to lead a discussion on Target 9 at the STR meeting on 22 October. ERP2 is the critical deliverable for achieving Target 9. The Board has also received the Quarterly Progress Report, which includes Target 9 upcoming milestones, and a six-monthly update on tracking towards ERP1 and NAP1.

The MCC has received the proposed amendment to ERP1, which includes 41 actions, for approval.

Careful consideration will be needed for how best to present ERP2 modelling information. An adaptive approach is needed, considering ahead of time any potential opportunities for additional abatement that could be explored in the event of headwinds. The plan needs to demonstrate that potential opportunities have been considered and there is potential to achieve additional abatement if needed.

The Board:

- 4.1 **noted** the intention to take ERP2 through Cabinet in early November and support portfolio Ministers to engage with the ERP2 document to enable this.
- 4.2 **noted** the October Quarterly Progress Report, which has been endorsed by Climate DCEs on the Boards' behalf and contains the quarterly Target 9 report covering the period ending 30 September 2024.

5 5.1 Response to the Climate Change Commission's progress report on the National Adaptation Plan

Lead: Jane White (CCIEB Unit)

The Board has received a copy of the draft Government response to the Climate Change Commission's (the Commission) progress report on the National Adaptation Plan.

In line with DCEs feedback, the draft response is centred around the Government's climate strategy. An updated table of actions is included with the draft response.

The MCC must table a response to the Commission's report by 2 February, and the Climate IEB Unit is working with MCC's office on how to proceed, given Cabinet decisions on the Adaptation Framework have been deferred to the new year, and the response to the CCC report is going in the same Cabinet paper.

The Board:

- 5.1 **noted** the response to the Climate Change Commission's progress report on the National Adaptation Plan
- 5.2 **noted** the Climate IEB Unit is working with the office of the Minister of Climate Change on how to progress the Government response, which must be tabled in Parliament by 2 February 2025.

6 Meeting administration

Lead: Chair / Jane White (CCIEB Unit)

The minutes of the previous meeting held on 18 September 2024 were approved.

The Board:

6.1 **approved** the minutes of the previous meeting, held on 18 September 2024.

Chair's closing comments / karakia whakamutunga

The Chair expressed appreciation for all those who had contributed to the preparation for the Target 9 discussion at STR. 9(2)(h)

Acknowledgement was also given to the Climate IEB Unit for the response to the CCC report on NAP progress, and the Quarterly Progress Report including Target 9.

Climate Change Chief Executives Board - actions register

Paper 5.3

Action #	Meeting Date	Discussion item	Minutes	Action	Responsible	Status
24-23	18/10/2024	Item 2 - Adaptation Framework update	9(2)(f)(iv)	9(2)(f)(iv)	MfE Adaptation team (with agencies)	Open
24-24	18/10/2024	Item 3 - NDC2 update	9(2)(f)(iv)	9(2)(f)(iv)	MfE / MFAT	Open