



Proactive release of the NZ ETS unit settings policy decisions Cabinet paper

Date Submitted:	8 December 2022	Tracking #: BRF-2602	
Security Level	Policy and Privacy In-Confidence	MfE Priority:	Urgent

	Action sought:	Response by:
Hon James SHAW, Minister of Climate Change	Approve the proactive release of the attached Cabinet paper and minute	12 December 2022

Actions for Minister's Office Staff	Return the signed report to MfE.
Number of appendices and attachments 2	1 - Cabinet paper with proposed redactions: 2022 update to New Zealand Emissions Trading Scheme limits and price control settings for units 2 - Cabinet minute for NZ ETS unit settings policy decisions: [CAB-22-MIN-0533]

Key contacts

Position	Name	Cell phone	1st contact
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Director	Melody Guy		

Proactive release of the NZ ETS unit settings policy decisions Cabinet paper

Purpose

1. This briefing seeks your approval to proactively release the policy decisions Cabinet paper *2022 update to New Zealand Emissions Trading Scheme limits and price control settings for units* with appropriate redactions (appendix 1) and the associated Cabinet minute (appendix 2).

Context

2. Cabinet made policy decisions on NZ ETS unit settings on 28 November, and the Cabinet minute of these decisions was finalised on 1 December. Your office has advised that the intent is to publicly announce the updated NZ ETS unit settings on 13 December via an update to the Ministry's website and an email from the Ministry to NZ ETS stakeholders.
3. The policy decisions Cabinet paper highlights that you propose to proactively release the policy decisions Cabinet paper at the same time as decisions are announced.
4. The LEG paper will not be able to be released until after it has been considered at Cabinet, so will not be able to be reviewed and redactions considered in time for it to be released on 13 December.

Analysis and advice

Releasing this Cabinet paper has the effect of announcing the review of the NZ ETS

5. The Cabinet paper includes reference to Cabinet’s decision to carry out a review of the NZ ETS to consider the appropriate balance of gross and net emissions reductions that it drives.
6. We assess that there are no grounds under the Official Information Act 1982 (OIA) to withhold this information from the Cabinet paper.
7. s 9(2)(f)(iv)
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
8. The alternatives are:
 - a. Not proactively releasing this Cabinet paper at this stage; or

- b. Proactively releasing this Cabinet paper with the recommended redactions attached, noting that doing so has the effect of publicly announcing the review of the NZ ETS.

We recommend releasing other briefings and Cabinet papers on the 2022 update to NZ ETS unit settings early in 2023.

- 9. We propose releasing the remaining briefings, and two other Cabinet papers, on the topic of the 2022 update to NZ ETS unit settings in early 2023.

Consultation and collaboration

- 10. Agency consultation on the proactive release of this Cabinet paper has not occurred. Agencies were consulted on the Cabinet paper and did not raise objections to your signalled intent to proactively release it.

Risks and mitigations

- 11. The proactive release of this Cabinet paper will support transparency and demonstrate the considerations underlying these decisions.
- 12. Release of the Cabinet paper would mean announcement of the NZ ETS Review as recommended in BRF-2570. We only recommend this if Ministers agree to the announcement of the NZ ETS Review.

- 13. s 9(2)(g)(i)

Legal issues

- 14. There are no legal issues associated with the proposals in this briefing note.

Financial, regulatory and legislative implications

- 15. There are no financial, regulatory and legislative implications associated with the proposals in this briefing note.

Next steps

- 16. We are preparing web-page content for announcement of NZ ETS unit settings decisions. We await confirmation of timing, and whether the announcement will include publication of the policy decisions Cabinet paper.

Recommendations

We recommend that you:

- a. **Note** that we recommend announcing the NZ ETS Review alongside the announcement of NZ ETS Unit settings decisions this month
- b. **Note** that the NZ ETS unit settings policy decisions Cabinet paper includes discussion of the NZ ETS Review and references Cabinet's decision on the review
- c. **Note** that there appear no grounds under the OIA to redact reference to the NZ ETS Review from this Cabinet paper
- d. **Note** that proactive release of the attached Cabinet paper has the effect of announcing the NZ ETS Review
- e. **Approve** the proactive release of the attached Cabinet paper with the single proposed redaction


Yes/No

- f. **Approve** the proactive release of the attached Cabinet minute

Yes/No

- g. **Note** that proactive release would occur on the Ministry's website at the time that policy announcements are made

Signature


Kate Whitwell, Manager – ETS Policy	
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Hon James SHAW, Minister of Climate Change	
Date	

Appendix 1: Cabinet paper with proposed redactions: 2022 update to New Zealand Emissions Trading Scheme limits and price control settings for units

Appendix 2: NZ ETS Unit settings policy decisions Cabinet minute: [CAB-22-MIN-0533]

Publicly available - s 18(d)



<https://environment.govt.nz/what-government-is-doing/cabinet-papers-and-regulatory-impact-statements/new-zealand-emissions-trading-scheme-2022-update-to-limits-and-price-control-settings-for-units/>