

**Office of the Minister for Climate Change Issues****Chair****Cabinet Economic Growth and Infrastructure Committee**

New Zealand's intended contribution to the new global climate change agreement

**Proposal**

1. This paper seeks agreement to New Zealand's Intended Nationally Determined Contribution (INDC) under the new global climate change agreement.

**Executive summary**

2. This year countries are tabling contributions (INDCs<sup>1</sup>) to a new global climate change agreement for the post-2020 period. All parties, including the major economies and emitters will be participating in the new agreement and New Zealand needs to play its part.
3. Developed countries are expected to show progression on their current targets. All developed countries other than Australia and New Zealand have announced targets under the new agreement. These cover all sectors and gases and represent greater emissions reductions than previous targets.
4. New Zealand currently has a target to reduce emissions to 5% below 1990 levels by 2020 across the whole economy. Our post-2020 target will need to improve on this to show progression.
5. I have considered a 'split target' with reduced coverage of the agricultural sector. This approach has some appeal from a domestic perspective as it takes account of New Zealand's challenges in reducing emissions and offers cost savings.
6. Such an approach would fail the test of showing progression. I have confirmed this by taking soundings with key international figures. The approach could also reduce our influence in negotiating favourable rules on forestry and carbon markets at a critical stage. Without access to carbon markets any target becomes considerably more costly or even unachievable.
7. New Zealand needs to set a target which is environmentally credible and reflects our particular circumstances. But we also need to consider the possible costs to our economy which are likely to be higher than for other developed countries.
8. I propose an INDC with an emissions reduction target of 10% below 1990 levels by 2030 across the whole economy. This shows sufficient progression and appropriately balances New Zealand's domestic and international interests.
9. Cabinet Strategy Committee has emphasised the importance of making the target conditional on factors including research and scientific developments and access to international carbon markets. The INDC gives effect to this direction in a way that maximises New Zealand's opportunity to negotiate further in relation to the target.

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<sup>1</sup> Intended Nationally Determined Contributions

10. The Government consulted on the INDC in May and June this year and received a strong level of interest from the public, stakeholders and iwi. This paper presents some of the views expressed during consultation and how I have considered them in reaching my recommendation. I have asked officials to prepare a communications plan to announce the target domestically and internationally.

## **Background**

11. Tackling climate change is crucial to avoid economic costs and harm to people and the environment. The Prime Minister's Chief Science Advisor, Professor Sir Peter Gluckman has provided a comment on the current status of science in this area (Appendix 5).
12. This year Parties to the United Nations Framework Convention on Climate Change (UNFCCC) are tabling national 'contributions' to a new post-2020 agreement. These contributions will run to 2025 or 2030. The agreement is due to be concluded at a Ministerial Conference in Paris in December.
13. Securing an effective global response which limits temperature rise to two degrees Celsius is in New Zealand's interests. An international agreement with mitigation commitments by both developed and emerging economies is needed to achieve this. New Zealand will be expected to play its part in the global response.
14. Countries have agreed to submit INDCs to the new agreement well ahead of the Paris meeting. Countries have also agreed that contributions 'should demonstrate progression beyond current undertakings'.
15. New Zealand has a current target of 5% below 1990 levels by 2020 as well as a conditional target pledge of 10% to 20% below 1990 levels by 2020. Under the current target we take responsibility to reduce emissions across the whole economy, or purchase international units to make up the shortfall.
16. New Zealand faces challenges reducing its emissions domestically due to our significant agricultural emissions which have limited reduction opportunities. This means we have relied on credits from storing carbon in forests and international purchasing to meet a large part of targets to date.
17. The new agreement requires all Parties to commit and seems likely to attract greater participation than the Kyoto Protocol. The US has tabled its INDC and China has indicated what it will be tabling. Targets announced to date cover just over 50% of current global emissions. Appendix 2 provides a full list of country contributions to date.
18. On 30 March the Cabinet Strategy Committee gave initial direction on the form and level of New Zealand's post-2020 contribution (STR Min (15) 2/1 refers) and:
  - i. noted the need to balance a number of considerations, including New Zealand's international credibility, costs to the economy, the implications for the agriculture sector, and the nature of signals that would be sent to different sectors of the economy;
  - ii. agreed that an appropriate post-2020 emissions reduction target would be the equivalent of ten percent below 1990 levels over the entire economy, conditional on factors such as: research and scientific developments (including in relation to livestock emissions mitigation options); [and] New Zealand's access to international carbon markets.

19. Public consultation on New Zealand's post-2020 target took place between 7 May and 3 June. Significant interest was expressed in New Zealand's target, with high attendance at most of the 15 public meetings and hui around the country. Over 16,000 formal submissions were received. I have considered the results of consultation alongside the other objectives for the INDC outlined in this paper.

## Comment

### *Proposal*

20. I propose New Zealand tables an INDC (see Appendix 1) which includes:
- A target to reduce New Zealand's emissions across the whole economy to:
    - **10% below 1990 emissions by 2030**
    - for ease of comparability with other countries this would be expressed as **-29% below 2005 by 2030**
  - Statements to the effect that:
    - The target will cover all sectors and gases and will be met by domestic emissions reductions, recognition of emissions and removals by New Zealand forests and the purchase of international carbon units
    - The INDC remains provisional pending finalisation of rules regarding access to international carbon markets and forestry accounting
    - There is a need for the development of commercially viable agricultural mitigation technology in order to deliver emissions reductions in this sector.
21. In developing this proposal I have considered
- the views of the public, iwi and domestic stakeholders
  - New Zealand's international interests, including the progression on our current target and comparability to other countries
  - costs to the economy including the agriculture sector, and
  - signals sent to different sectors of the economy.

### *Split target option*

22. I have also considered an alternate 'split target' form with a different treatment for agricultural emissions. This split-target approach has some appeal from a domestic perspective given its possible cost savings compared to an economy-wide target. It also reduces the risk of a fiscal cost of international purchasing to offset agriculture's emissions over the 2020s<sup>2</sup>. The level of cost-saving depends upon the degree to which agricultural gases are excluded<sup>3</sup>. I do not recommend this approach.
23. Arguments in support of this split target approach are that carbon dioxide emissions should be the immediate focus and that the world needs to increase food

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<sup>2</sup> Assuming this cost is not put onto the agriculture sector or other emitters via the NZ ETS.

<sup>3</sup> A variety of technical potential options exist to reduce the cost arising from agricultural emissions, including excluding specific gases (e.g. methane) or counting agricultural emissions against a different baseline. However these approaches are not well-established under international rules.

production. Agricultural greenhouse gases (nitrous oxide and methane) have a stronger warming effect than carbon dioxide, but also have a shorter lifetime in the atmosphere. The accounting rules we use take into account these differences to factor in the relative 'harmfulness' of the different gases<sup>4</sup>. There are other potential accounting approaches which put less relative weight on methane but New Zealand has not gained traction in previous international negotiations on this issue.

24. New Zealand could build a case for a target to improve the emissions per unit of food produced rather than absolute reductions, supported by a strong narrative on our domestic circumstances and efforts in agricultural research. During consultation, the majority of agricultural sector submitters expressed support for a split target approach and some other submitters noted the importance of focusing on reductions in carbon dioxide.
25. I have floated this approach internationally but it has not gained support. The clear message I have received is that our contribution would need to represent greater reductions in quantitative terms than our current target across the whole-economy in order to show progression. The split target approach described above would not do this.
26. All developed country targets so far show progression in terms of genuinely greater emissions reductions than current targets. No developed country has tabled a target which excludes a significant emissions sector or gas.
27. Developed countries pledged that they would continue to lead the global effort in order to bring all emerging economies into an agreement that would apply to all. Major developing country economies are waiting to see developed country targets before tabling. There is a risk that they could point to a non-credible target by New Zealand as an excuse for unambitious targets of their own.
28. Rules relating to forestry accounting and international carbon markets will not be finalised as part of the primary agreement concluded in Paris. These are of particular importance to New Zealand in achieving a target. A target which doesn't show progression means we may lose influence in negotiation of these rules at a critical stage and risk losing access to carbon markets.
29. Losing carbon market access would increase target costs considerably more than the cost-saving from excluding agriculture due to severe competitiveness impacts. Under this scenario, New Zealand would need to revisit its target.
30. There will be no financial penalties for not meeting a target, but we would receive international criticism.
31. A credible target also helps maintain New Zealand's role as a constructive 'solution finder' in UNFCCC negotiations. This means we can frame discussions and influence others' thinking in the negotiations. For example, making contributions nationally-determined under the new agreement has been key to getting countries to participate and is the result of a New Zealand proposal.
32. There will be greater global focus on our policy positions across the board, including the INDC, during the period of our Security Council membership. The new climate change agreement is the most significant multilateral negotiation now underway. If we don't submit an INDC that represents progression we risk losing our status as a

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<sup>4</sup> For example, under international rules one tonne of methane emissions is accounted for as 25 tonnes 'carbon-dioxide equivalents' and one tonne of nitrous oxide as 298 tonnes 'carbon-dioxide equivalents'.

'responsible global citizen'. Relationships with Pacific Island countries, some of which regard climate change as a current threat, may be undermined. We could expect continued pressure from the major developed countries that have taken ownership of a successful outcome in Paris, e.g. France, US, UK and Germany.

33. Agricultural emissions reductions will be needed globally in the long-term. Recent progress by New Zealand researchers on agricultural emissions technology is promising but we cannot know if or when it will deliver. A target excluding agriculture makes us less reliant on this technology, but puts more onus on the energy and transport sectors to deliver emissions reductions (although domestic policy decisions can be made independently of the target).
34. Without having confidence in how technology will progress, it is preferable to maintain an economy-wide target. This gives flexibility to use emissions reductions from wherever they cost least. This is also one way of maintaining pressure on the New Zealand agricultural sector to invest in agricultural emissions research and help keep New Zealand at the global forefront of this work.

#### *Comparison with other countries' targets*

35. Targets announced by key developed countries are shown in Table 1. These targets represent progression on current undertakings by those countries although they collectively fall short of what's needed to put the world on a pathway to the global two degrees goal.
36. New Zealand and Australia are the only developed countries that have not announced targets. Australia has signalled an intention to table its contribution in July and <sup>s 6(a)</sup> Canada (an already tabled target of economy-wide emissions reduction to 30% below 2005 levels by 2030).

**Table 1** Targets of some key developed countries

Developed country targets		Versus 1990 levels	Versus 2005 levels	Existing 2020 target
<b>EU</b>	<b>-40% on 1990 by 2030</b>	-40%	-35%	-20% on 1990
<b>US</b>	<b>-26% to -28% on 2005 by 2025</b>	-15%	-26% to -28%	-17% on 2005
<b>Australia<sup>5</sup></b>				-5% on 2000
<b>Canada</b>	<b>-30% on 2005 by 2030</b>	+2%	-30%	-17% on 2005
<b>Japan</b>	<b>-26% on 2013 by 2030</b>	-18%	-25%	-3.8% on 2005

37. New Zealand faces challenges in reducing emissions. Our emissions have increased more than those of most other developed countries since 1990 and we lack significant, low-cost opportunities to reduce emissions.
38. Factoring in these challenges means New Zealand could justify making relatively smaller emissions reductions than other developed countries. As a rough indication, a New Zealand target of +10% above 1990 levels would cost about the same as the EU target. A target costing the same as that of the US would be roughly +5% to -10% on 1990 levels.<sup>6</sup>

<sup>5</sup> Australia has not yet announced its target. <sup>s 6(b)(i)</sup>

<sup>6</sup> These figures are a rough guide only. They exclude the impact of forestry on New Zealand's net emissions, trade effects of carbon pricing and any potential co-benefits of reducing emissions.

39. International and domestic commentators will look at other factors alongside cost when comparing targets, such as countries' historical emissions responsibility and per capita emissions. Comparisons made on this basis suggest a range of more ambitious targets for New Zealand (around 0% to -20% on 1990).

#### Costs

40. The estimated costs of delivering different targets are shown in Table 2. These are from economic modelling involving three leading New Zealand groups in the field. Appendix 3 provides estimated impacts on business sectors and households as well as caveats and assumptions around the cost estimates and sensitivities to key factors. These estimates exclude potential co-benefits and do not factor in any avoided damages from successfully mitigating climate change.
41. The modelling confirms New Zealand's challenges in reducing emissions<sup>7</sup>. This means that international carbon market access will be critical to control the costs of meeting a target.
42. Costs are hard to estimate with a good degree of certainty and the costs presented here are probably high-end estimates. The cost estimates provided by a second economic modelling group are about half as much<sup>8</sup>. This degree of uncertainty is common in international estimates of the cost of climate policy.
43. It's not yet clear what forestry rule sets will be internationally-acceptable. During consultation, forestry stakeholders highlighted the role of forests in reducing emissions. The rules we use will need to work domestically. I have instructed officials to establish the costs, benefits and feasibility of different rules as the basis for our negotiations following Paris.
44. It is possible that potential forestry rule options would enable New Zealand to recognise a forest 'carbon sink' over the 2020s and could provide cost savings as could faster technological progress.

Table 2 Estimated cost of different economy-wide targets.

Target reduction on 1990 by 2030	Target reduction on 2005 by 2030	Annual cost (reduction in RGNDI <sup>9</sup> in 2027)
<b>Current RGNDI</b>		\$220bn
<b>Projected 2027 RGNDI (business as usual)</b>		\$299bn
-5%	-25%	\$3.5bn (1.18%)
-10%	-29%	\$3.7bn (1.23%)
-15%	-33%	\$3.9bn (1.32%) <sup>10</sup>
-20%	-37%	\$4.1bn (1.37%)
-40%	-53%	\$5.0bn (1.66%)

<sup>7</sup> This conclusion is also consistent with separate assessments of New Zealand's emissions reduction opportunities carried out by agencies.

<sup>8</sup> Appendix 3 covers the differences in model assumptions that may explain this difference in results.

<sup>9</sup> RGNDI is Real Gross National Disposable Income – a measure of the size of the economy based on GDP but which better accounts for the cost of purchasing international units. Although percentage figures are given to two decimal places, they are not necessarily accurate to this degree of precision in absolute terms.

<sup>10</sup> Figure is interpolated between other model results.

### *Provisionality*

45. To help mitigate the risk of high costs and give effect to Cabinet Strategy Committee's direction I propose including wording in the INDC on 'provisionality' (Appendix 1, page 1).
46. This approach makes clear the INDC is provisional and reserves our right to adjust the target in the event our forestry and carbon markets rules assumptions prove incorrect through subsequent negotiations. It also notes the need for cost-effective agricultural mitigation technology.
47. We will need to communicate supplementary information to the UNFCCC, ahead of the Paris meeting, on our assumptions for forestry and other land use accounting, once officials have assessed the best way to do this.
48. If we do not do so, but instead elect to keep our options open, we may forfeit the right to adjust the target if the final rules do not deliver the flexibility we anticipate.
49. When New Zealand ratifies the agreement we will submit a firm contribution that takes account of the final rule settings.
50. My proposed approach helps mitigate the risk of high costs and maximises our ability to negotiate further.

### *Views of the public and domestic stakeholders*

51. The Government consulted on the INDC in May and June this year and there was strong interest and sentiment expressed by the many who responded. I have considered the views expressed during consultation in reaching my recommendation. A brief summary of submissions received is included in Appendix 4.
52. Some of the main themes from the consultation were:
  - i. Climate change is seen as an important issue which the Government should address urgently to protect New Zealanders, future generations, and our Pacific neighbours;
  - ii. There was a strong call for an ambitious target and leadership from the Government (the most common target suggested by stakeholders was 40% below 1990 levels or a target of zero carbon by 2050);
  - iii. Business and other stakeholders want greater involvement and engagement on climate change;
  - iv. A large number of stakeholders, including from businesses and the primary sector, highlighted that a target needs to be underpinned by a long-term domestic plan;
  - v. There were frequent requests for cross party consensus and an independent commission on climate change;
  - vi. There was strong concern that the costs described in the discussion document were overly conservative and excluded possible benefits of acting and the costs of inaction.

### *Views of the Iwi Leaders Group and other iwi*

53. Strong interest was expressed by iwi during consultation. The Iwi Leaders Group (ILG) asked for political leadership on climate change. The ILG proposes that any contribution should consider the Treaty of Waitangi.

54. They called for an ambitious target (at least 20% below 1990 by 2030) that is in line with EU, USA and China<sup>11</sup>, allows a smooth transition to a low emissions economy and takes account of our particular domestic circumstances. The ILG consider domestic incentives for behaviour change are also important and stress the opportunities offered by the forestry sector.
55. The ILG are also concerned about the particular impacts of climate change and climate policy on Māori and want to work further with government on this, including support for vulnerable communities.
56. Other iwi submitters are also greatly concerned about climate change threats for their culture, environment, food sources and taonga and the potentially disproportionate impact on Māori households. An “ambitious target” was commonly suggested to protect vulnerable communities and future generations. They noted the need to transition the agricultural sector and the important contribution of forestry to the target.

#### *Target level*

57. The extra cost of marginally deeper targets (e.g. -10% vs -5%) is relatively small<sup>12</sup>. On the other hand, New Zealand’s costs are still at the high-end of those faced by developed countries.
58. Strong calls were received for an ambitious target from a large number of submitters during consultation. The response from business and agriculture stakeholders was more mixed. Some business stakeholders suggested an ambitious target; others including Business New Zealand suggested a more cautious approach to ensure the target is realistic and achievable and manages costs.
59. Calls for a highly ambitious target need to be balanced against the real economic costs which a target imposes across the population, regardless of their stance on climate change and I believe my recommended target achieves this.
60. The target level I propose provides some headroom to respond to the anticipated international calls for further increases in global ambition over coming years (likely to be in 2025 or 2030) and signals a steady long-term trajectory to the economy.
61. I recommend expressing the target as a reduction relative to 2005 levels. This makes the target more clearly comparable with others (the US and Canada) and reduces the apparent disparity between New Zealand’s target and the EU’s.

#### *Domestic arrangements*

62. The NZ ETS is New Zealand’s main domestic climate policy tool. I intend to initiate a review of the NZ ETS this year as a first step on work towards delivering the target. This could include setting the direction of travel for the NZ ETS to 2020 and beyond so that it evolves to meet our post-2020 commitments. I am still considering the exact scope, objective, process and timing of the review.

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<sup>11</sup> China has indicated its INDC will include a target of peaking its carbon dioxide emissions by 2030.

<sup>12</sup> This is firstly because of the substantial growth in New Zealand’s emissions since 1990, which means the bulk of effort is to bring emissions back to 1990 levels. In addition, within the modelling setup used, around half the cost is borne regardless of New Zealand’s target level. This cost arises from the projected slowdown in economic growth due to a global carbon price (see Appendix 3 for more details).

63. Work is continuing on supply management in the NZ ETS, including a possible function to auction New Zealand Units (NZUs). I have asked officials to undertake rigorous testing of the issues and problems to ensure that the Government makes the most appropriate intervention, if any, and to maximise the value of the \$4.1m Budget funding that has been provided for the work. It is important that this work is coordinated with the NZ ETS Review.
64. Delivering the INDC will require a broader examination of New Zealand's strategy to meet its targets. Consultation has revealed strong support for a plan or framework to help guide New Zealand's transition to a low carbon economy and many stakeholders wish to be involved in such work.

### *Conclusion*

65. I have considered a range of options for New Zealand's target. Taking a split-target approach would suit New Zealand's national circumstances and we could attempt to justify it internationally. Such a split target which reduces overall effort would not be viewed as representing progression by the international community. This means it carries risks for New Zealand's negotiating influence, access to carbon markets and our broader international interests.
66. If we tabled such a target and these risks came to pass then we could respond by revisiting our target form and level. However it is unlikely this would fully reverse damage to our international reputation. The value of this reputation is a political judgement call.
67. My recommended target represents progression but balances this against the need to manage costs on the New Zealand economy. I consider it sensible to preserve our international reputation and negotiating influence at this critical stage in negotiations.
68. There are substantial uncertainties in the level of cost of any target and there are several factors which could give cost-savings. Nonetheless a future government may consider the costs of delivering the target too high and could choose to revisit it. The proposed provisionality text supports this option. Any cost savings would need to be balanced against the resulting reputational damage at that time.

### *Next steps*

69. I propose to announce and then formally table the INDC in July.
70. We may be in a position to update the INDC before Paris with more detail on our proposed forestry rules. This will help reserve our right to amend the target before ratifying if our rule assumptions prove incorrect.
71. I plan to come back to Cabinet in the coming months on the objective, scope and timing of the NZ ETS Review and coordination with NZ ETS supply management work.
72. I intend to continue a dialogue with stakeholders on options for approaches to domestic climate change policy which could provide more structure and certainty.

### **Financial implications**

73. There are no immediate financial implications from the proposals in this paper. Generally accepted accounting practice sets several tests for when an obligation must be recognised in the Crown accounts. In general, an emissions target would

be recognised when there is a legally enforceable obligation on the Crown to expend resources to meet the target. Officials do not consider that taking a target under a new international agreement before it enters into force would meet these tests.

74. Whether the tests are met following New Zealand's ratification of the Agreement and its entry into force will depend in part on the content of the Agreement, such as the degree to which the target is binding. It will also depend on the enforceability of the target. If the target was put into domestic legislation, for example, the target may need to be recognised in the Crown accounts if the legislation also created enforceable obligations on the Crown to meet it. Advice on any financial implications of decisions to sign and ratify the new Agreement, or to put the target in legislation, can be provided at the time those decisions are considered.

## **Consultation**

75. The following agencies have been consulted on the contents of this paper: the Ministry of Foreign Affairs and Trade (MFAT), the Treasury, the Ministry for Primary Industries (MPI), the Ministry of Transport (MoT), and the Ministry of Business, Innovation and Employment (MBIE).
76. Full departmental comments are provided in Appendix 6. Summaries of agency positions are provided below.
77. MPI supports the proposition. It also considers it unlikely that progress in agricultural mitigation technology will be sufficient to reduce target costs. If Ministers want to reduce the risk of high future costs then MPI would propose an economy wide target including agriculture, with agriculture covered by an accounting method that uses an intensity basis. This is likely to meet with support from the New Zealand agricultural sector.
78. Treasury does not support the proposition. Treasury suggests further work is needed to test the key assumptions about impacts on New Zealand's negotiating influence and broader international interests. In particular, there would be value in testing the extent to which New Zealand would lose negotiating influence if we pursued a different option. Furthermore, many countries in the negotiations have a strong interest in markets and forestry rules so these are likely to form part of the Agreement. The likelihood and cost of any damage to broader foreign policy interests is also unclear. Treasury recommends additional analysis of potential options that could lower the overall costs. Treasury considers that a split target option may be in New Zealand's best interests. This approach can credibly be argued to demonstrate progression from our current target, since carbon dioxide is the main driver of climate change. New Zealand would have flexibility to change the target in order to improve New Zealand's negotiating position should carbon market access not be secured.
79. MFAT strongly supports the proposition. MFAT considers it critical we have influence at this juncture of the negotiations. Tabling a target that did not represent a progression beyond our current -5% undertaking would severely impact our influence. No other country is as dependent on access to the global carbon market, nor as exposed to cost impacts of forestry accounting outcomes. MFAT considers it spurious to suggest damage to our foreign policy interests should be compared with the cost of meeting the target. The value of our good standing in the international community is not something that can be quantified. It is important the INDC is "provisional" in relation to land sector and market rules, until New Zealand ratifies the Paris agreement. MFAT considers New Zealand's ability to make technical

adjustments to the contribution will be better protected by keeping any comment on the importance of the technology issue separate from our rules assumptions. MFAT considers further delay in tabling New Zealand's INDC should be avoided if at all possible.

80. The Department of Prime Minister and Cabinet has been informed of the paper.

### **Human rights**

81. There are no inconsistencies between the proposals in this paper and the Human Rights Act 1993.

### **Recommendations**

82. The Minister for Climate Change Issues recommends that the Committee:

1. note that Parties to the United Nations Framework Convention on Climate Change (UNFCCC) are tabling contributions this year to the 2015 global agreement, comprising greenhouse gas emission reduction targets and supporting actions for the post-2020 period
2. agree to announce and table the attached draft Intended Nationally Determined Contribution (INDC), including a target to reduce New Zealand's emissions to 10% below 1990 emissions by 2030, expressed as 29% below 2005 levels
3. note that the recommended target appropriately manages New Zealand's domestic and international interests
4. note that in reaching this recommendation the Minister for Climate Change Issues has considered the views expressed in public consultation
5. note that the Minister for Climate Change Issues plans to announce the target in July
6. note New Zealand will formally table the INDC with the UNFCCC shortly after the announcement
7. note that officials will prepare the final version of the INDC based on the attached draft, revised as necessary to reflect Cabinet's decisions and any minor editorial changes
8. authorise the Minister for Climate Change Issues to approve the final version of the INDC for tabling with the UNFCCC
9. authorise the Minister for Climate Change Issues to communicate, prior to the December Paris ministerial climate conference, supplementary information to the UNFCCC on New Zealand's proposed approach to forestry and other land use accounting
10. note that a communications plan will be prepared for announcing and tabling the INDC
11. note that a consistent theme emerging from consultation is the need for a planned approach to domestic emissions reductions which provides more structure and certainty
12. invite the Minister for Climate Change Issues to return to Cabinet on the objective, scope, and timing of the 2015 Review of the New Zealand Emissions Trading Scheme (NZ ETS) and supply management in the NZ ETS

13. note that the Minister for Climate Change Issues intends to continue a dialogue with stakeholders on options for approaches to domestic climate change policy which could provide more structure and certainty
14. note that the submissions from public consultation, a summary of the public meetings, and this cabinet paper will be proactively released

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Hon Tim Groser  
**Minister for Climate Change Issues**  
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