



# Talking points ahead of CPMG meeting 20 May 2024

Date submitted: 16 May 2024

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Security level: In Confidence

MfE priority: Urgent

Actions sought from Ministers		
<i>Name and position</i>	<i>Action sought</i>	<i>Response by</i>
To Hon Simon WATTS <b>Minister of Climate Change</b>	Review and provide any feedback or request further information	20 May 2024

Actions for Minister’s office staff
Return the signed briefing to the Climate IEB Unit ( <a href="mailto:board@climateieb.govt.nz">board@climateieb.govt.nz</a> )

Appendices and attachments
1. Suggested talking points for Chair, CPMG 20 May

Key contacts at Ministry for the Environment			
<i>Position</i>	<i>Name</i>	<i>Cell phone</i>	<i>First contact</i>
Principal Author	Mel Rae	s 9(2)(a)	
Responsible Manager	Amy Tisdall	s 9(2)(a)	
Executive Director	Lisa Daniell	s 9(2)(a)	✓

Minister’s comments

# Talking points ahead of CPMG meeting 20 May 2024

## Purpose

1. To provide you with talking points to support your role as Chair for the next Climate Priorities Ministerial Group (CPMG) meeting.

## Discussion

2. The next Climate Priorities Ministerial Group meeting is 20 May 2024 from 7:30pm to 8:00pm in the Ministerial Meeting Room, Level 2 Executive Wing. The final papers have been provided to your office for circulation to the Prime Minister and CPMG Ministers.
3. Attached is a set of suggested talking points for each item on the agenda to assist you in your role as Chair of the meeting (see Attachment 1).
4. IEB Unit and MfE officials are available to discuss CPMG preparation with you at officials meeting on Monday 20 May.

## Signatures



Lisa Daniell  
Executive Director  
**Climate Change Chief Executives Board Unit**  
**16 May 2024**

Hon Simon WATTS  
**Minister of Climate Change**

**Date**

## Attachment 1: Suggested talking points for Chair, CPMG

Agenda	Talking points
Open	<ul style="list-style-type: none"> <li>• Welcome the Prime Minister and your ministerial colleagues to the second Climate Priorities Ministerial Group meeting.</li> <li>• Outline the agenda, and key decisions being sought in the meeting:               <ul style="list-style-type: none"> <li>○ Support for the climate change strategy, and</li> <li>○ Outline the process and draft package for our Government's emissions reduction plan - to consult publicly through a discussion document centered on the priorities of the Coalition Government and consistent with the Strategy.</li> </ul> </li> </ul>
<b>Item 1</b>	<b>Climate strategy</b>
7:30-7:45pm	<p><i>You will chair this item</i></p> <ul style="list-style-type: none"> <li>• The first paper you have is on an overarching Climate Strategy.</li> <li>• The Strategy is designed to set out our government's 'why' to the approach for how New Zealand will respond to the challenges of climate change and the key pillars of 'what' will be delivered.</li> <li>• The Strategy will guide the delivery of the government's climate change work programme over this parliamentary term and underpin our future decisions. This includes the work to reduce emissions and to adapt to a changing climate.</li> <li>• The draft Cabinet paper and one-page Strategy is currently out for ministerial and agency consultation. I plan to bring the paper to Cabinet shortly to seek endorsement of the overarching Strategy and approach.</li> <li>• I'm seeking your support of this Strategy and any feedback ahead of it being finalised for Cabinet to consider.</li> <li>• Having a Strategy will help to outline to the public our plan for responding to climate change so households, communities and the private sector can make longer-term investment decisions with confidence.</li> <li>• It reflects the relevant commitments in our Coalition Agreements and our legislative requirements.</li> <li>• As you see from the attached diagram, there are five key pillars to deliver climate action for New Zealanders:               <ul style="list-style-type: none"> <li>○ Credible Markets – we are taking a market-led approach to achieving climate change goals at least cost.</li> <li>○ Clean energy – we are driving investment in renewable electricity generation by cutting red tape to help double the amount of affordable, clean energy available.</li> <li>○ World-leading climate innovation – we are ensuring the right conditions are in place to support the development of technological solutions to agricultural emissions, while boosting economic growth and productivity.</li> <li>○ Nature-based solutions – we are driving net reductions through forestry and will investigate other forms of removing emissions, such as wetland restoration and blue carbon (as was discussed at the first CPMG).</li> <li>○ Resilient infrastructure and well-prepared communities – we are proving more certainty by delivering a legislative framework that enables decision-making to reduce climate risk and provides clarity on cost sharing – with a select committee inquiry progressing.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• It also references three key enablers to support climate action:             <ul style="list-style-type: none"> <li>○ Private investment and partnerships</li> <li>○ Access to the best available data and evidence</li> <li>○ International engagement and knowledge sharing</li> </ul> </li> <li>• As an example of how the Strategy can be applied to the work programme, I intend for the consultation material on the second emissions reduction plan to be consistent with this Strategy - we will discuss this further in the next item.</li> <li>• I am interested in your thoughts and feedback before taking this to Cabinet. My plan is for the Economic Committee to consider this on 27 May and Cabinet on 4 June.</li> </ul>
<b>Item 2</b>	<b>Plan for second emissions reduction plan</b>
7:45-7:55pm	<p><i>You will chair this item</i></p> <ul style="list-style-type: none"> <li>• The next paper you have is on the development of the second emissions reduction plan.</li> <li>• In June I will be asking Cabinet to agree to consult publicly on a draft emissions reduction plan. As the group of Ministers with the portfolio responsibilities across the policies included in the plan – I want to provide visibility of the package of policies as it is coming together.</li> <li>• The second emissions reduction plan is important as it is the first time the Government will be publishing a document that sets out our overall approach to climate mitigation. It is an opportunity for us to set out our climate strategy against tangible actions we are taking.</li> <li>• I expect a plan of this size to attract significant public attention.</li> <li>• I have directed my officials to lead drafting of the plan with your agencies to align with our coalition agreements, the climate strategy, and key priorities we have discussed.</li> <li>• The appended slide provides the main package of policies included in the consultation material.</li> <li>• These policies are still being developed by your agencies. Individual Ministers have had oversight of their sections. I wanted to give you an early look at how the package is shaping up.</li> <li>• I will be bringing the package to Cabinet to approve the release of a discussion document for public consultation in June. We need to consult, and have a final plan approved before the end of this year.</li> <li>• There are legal obligations we need to be cognisant of as we take decisions on the plan; one of these is that the plan must be sufficient to meet the second emissions budget.</li> <li>• To help with this, I recommend we direct agencies to improve the evidence base and undertake work, including modelling where possible, to show how much abatement can be achieved through these policies to provide confidence that final decisions deliver a plan that will meet the second emissions budget.</li> </ul>
<b>Item 3</b>	<b>Any other business</b>
7:55-8:00pm	<p><i>Notes on the quarterly progress report for May 2024</i></p> <ul style="list-style-type: none"> <li>• Note the summary of the quarterly progress report for May, prepared by the Board. This is provided with your meeting papers.</li> <li>• The full report from the Board will be circulated separately.</li> </ul>

	<ul style="list-style-type: none"><li>• Note the milestones achieved over this quarter and expected milestones over the next six months.</li><li>• Upcoming Cabinet decisions include approval of the overarching climate strategy, which we discussed earlier.</li><li>• The report notes the progress made towards meeting our climate mitigation targets. Although we appear to be still on track to meet the first emissions budget, new interim emissions projections (using an alternative model) suggest the ability to meet emissions budgets has become more challenging. This is compared with December 2023 projections.</li><li>• It's important to note that these new interim projections use an alternative model (to the one used in December 2023) but do incorporate the latest official inventory updates with some methodology changes, and updated assumptions.</li><li>• These projections include substantial uncertainty, and these numbers will continue to change as policy impacts and models are refined. They also do not include ERP2 policies – rather they present an updated baseline/start point.</li><li>• s 9(2)(f)(iv) [REDACTED]</li></ul> <p>■ [REDACTED]</p> <p><i>Next meeting date</i></p> <ul style="list-style-type: none"><li>• Note our next meeting will be scheduled in September.</li><li>• There is an indicative forward agenda included at the end of the agenda, which will be updated each meeting to maintain its currency.</li><li>• s 9(2)(f)(iv) [REDACTED]</li></ul>
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