

## Weekly update - Minister for Climate Change

Finalised on 03 August for the week commencing 06 August

No meeting is scheduled for this week

### Decisions / Actions this week

Monday 6 <sup>th</sup>	Tuesday 7 <sup>th</sup>	Wednesday 8 <sup>th</sup>	Thursday 9 <sup>th</sup>	Friday 10 <sup>th</sup>
ETS and Forestry papers at Cabinet				
ZCB sprint session				

### Actions from the previous meeting

#### Action points for MfE

- Organise sprint sessions on key elements of the ZCB,
- Work towards a revised timeframe for the ZCB Cabinet Paper with a view to getting a first draft to the Minister before 18 August

### Upcoming meetings 06 August – 17 August

<b>Monday 6 August</b>	Cabinet meeting (ETS papers) Climate Change Ministers meeting (Minister Twyford)
<b>Tuesday 7 August</b>	Meeting with Ministers Woods and Nash Climate Change Ministers meeting (Ministers Woods, Parker, Mahuta & O'Connor )
<b>Wednesday 8 August</b>	Meeting with Wendy McGuinness Institute (tbc) Meeting with Todd Muller BP meeting
<b>Thursday 9 August</b>	Meeting with the Board of the Fertiliser Association Meeting with Environmental NGOs
<b>Friday 10 August</b>	MFAT Officials meeting
<b>Monday 13 August</b>	MfE Officials meeting MFAT Officials meeting
<b>Tuesday 14 August</b>	Climate Change Ministers meeting (Ministers Robertson, Jones)
<b>Wednesday 15 August</b>	Three Waters Ministers meeting MfE/MFAT Officials meeting (International Carbon Markets Project)
<b>Thursday 16 August</b>	UAE Minister of Climate Change and Environment Meeting with James Bushell, Director at MOTIF (tbc) Meeting with Jim Bolger & Andrew Knight (Chief Executive - Gas Industry Company Limited)
<b>Friday 17 August</b>	SPEECH: Farming Leaders Group (FLG) Meeting re Zero Carbon Bill/Work (tbc)

## 1. Key decisions for you to make this week

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- a. Cabinet meeting of Monday 6 August will include ETS and Forestry papers
- b. ZCB sprint session on Monday 6 August

## 2. Material for you to be aware of this week

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### Domestic

#### 2.1. Update on the release and proposed approach to responding to the Productivity Commission's final report on the low-emissions economy inquiry

On Friday 31 August, the Productivity Commission is scheduled to release its final report on the low-emissions economy inquiry. You will receive an embargoed copy of the final report on Tuesday 28 August. We understand you will be on leave during this time. We will work with your Office to prepare referring Ministers on the key findings and supporting media material by Thursday 30 August. The report would then be tabled in the House, and the expectation is that referring Ministers provide a public response to the Commission's recommendations.

Significant changes flagged by the Commission from their draft final to the final report include:

- A new chapter on the nature of transition (how it is different from business as usual) and what makes for a successful transition
- Development of the inclusive transition chapter
- Enhancements in the two gases, transport and process and industrial heat chapters
- Additional modelling work that explores a number of uncertainty variables and provides more insights into different transition pathways.

The Climate Change Chief Executives Board has oversight to ensure the public sector can support you responding to the Productivity Commission's report. As you have indicated, it provides a potential blueprint for a work programme. The Board has suggested that a response within approximately two months could outline a work programme that addresses how the recommendations are being considered in different agencies' work programmes. This could indicate actions already underway in response, and priorities going forward.

We would like to discuss, time permitting, at the next MfE officials meeting on 13<sup>h</sup> August:

- How to respond to the Commission's report
- How to ensure the Commission's recommendations fits into the broader Government climate change work programme.

Please indicate you are comfortable with this approach to the response.

Y/N

### International

#### 2.2. MPI's paper on international leadership on agriculture and climate change

MPI has developed a paper for Minister O'Connor s9(2)(g)(i) [redacted] [redacted]  
New Zealand's international leadership on agriculture and climate change s9(2)(g)(i) [redacted]  
[redacted]

. We have suggested a more detailed proposal might be developed for consideration by ministers in October, to enable initial reactions to be sought from other countries during the COP.

### 2.3. Carbon neutral countries

MFAT has begun compilation of a database of countries committed to some variant of carbon neutrality. Our initial collation indicates: Norway aims to be carbon neutral by 2030, Iceland by 2040, Sweden by 2045, Portugal by 2050. France, RMI and Costa Rica have pledged carbon neutrality over various time horizons. We understand Finland has net zero squarely on its radar. The Netherlands is legislating an objective of a 95% reduction by 2050 (the Post in The Hague is seeking further details). Other countries have pledged 'neutrality', often seen as being achieved at least in part by offsetting domestic emissions by reductions elsewhere (Norway and previously Costa-Rica, which is now looking at net zero).

## 3. Upcoming key events/announcements involving MfE/MFAT

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- 3.1. **Minister Sage's announcement on improving waste management and supporting New Zealand's transition to a circular approach to waste – 10 August**
- 3.2. **Final Productivity Commission Report on a Low Emissions Economy – 31 August 2018**
- 3.3. **NZ ETS consultation – 13 August 2018 to 21 September 2018**
- 3.4. **Minister Parker's announcement on fresh water work programme - TBC**

## 4. Upcoming briefings

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### Papers for your 10 August bag

Issue or event	Lead	Further information
International climate change initiatives	MFAT	This stocktake of the international climate change-related initiatives in which New Zealand has engaged will explain their purpose, the rationale for our involvement, and any resource implications.

## Papers for your 17 August bag

Issue or event	Lead	Further information
Draft annual report 2017/18 for your information	MfE	Draft annual report supplied for your information and any feedback.

## 5. Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
Climate change: NZ's international leadership	ERS or ENV (tbc)	Seeks agreement on how the international climate change work programme will deliver on the Government's aspiration for global leadership on climate change	Lodge mid Sept (TBC) ERS or ENV mid Sept (TBC) Cabinet end Sept (TBC)
Zero Carbon Bill	DEV	Policy decisions and report back on consultation	Lodge 13 Sept DEV 19 Sept Cabinet 24 Sept
NZ ETS technical and SGG regulations amendments	LEG	Presents and seeks agreement to non-forestry technical NZ ETS and SGG levy amendment regulations	Lodge 13 Sept LEG 20 Sept Cabinet 24 Sept

## 6. Cabinet material we have been consulted on

Paper name	Agency	Committee	Our advice on the paper
Just Transition to a Low Emissions Economy: Strategic Discussion	MBIE	ENV/DEV	<p>Prompts a strategic discussion on approach to just transition, how to work with with Māori and social partners, links between climate change and future of work, and an initial focus of Just Transitions Unit on Taranaki</p> <p>Paper started as a broader piece on just transition, but emphasis is strongly on the transition to low emissions. We have commented that it should draw links to your role and decisions pending on Government preparing emissions plans in response to budgets and ensure these plans incorporate a just transitions approach.</p> <p>It is more a discussion piece than for decisions and still draft. Originally scheduled for August, it is now expected for September.</p>
Crown Minerals Act Tranche 1 amendments	MBIE	DEV	<p>Purpose of paper is to ensure due process under CMA in place regarding recent block offer announcements. It notes legal risks.</p> <p>We have noted that, though timing for this paper was too tight, work by MBIE on the greenhouse gas impacts, in addition to economic impacts of decisions would be beneficial.</p>
Approval to ratify the Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer	MfE	DEV on 8 August	<p>Seeks Cabinet's agreement to ratify the Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer on 1 October 2019. To achieve this, the paper seeks agreement to undertake parliamentary treaty examination and draft proposed amendments to the Ozone Layer Protection Regulations required to implement the Amendment.</p> <p>We have no concerns with this paper.</p>

## 7. OIA requests

### 7.1. Ministerial\*

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office/current status	Date due to send
<p>Can your office please release the following information: All advice, briefings and correspondence with councils and Local Government New Zealand about the Coastal Hazards and Climate Change guidance published in December last year (<a href="https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation">https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation</a>). The time period of my request is December 15 last year, the date the guidance was published, and today's date. This information is in the public interest because it involves important planning guidance for councils, but it also shows what it is that councils and LGNZ are saying to the minister's office about the published guidance.</p>	s 9(2)(a)	Newsroom	OIA122	MfE	16-Aug-18	20-Aug-18
<p>I now submit the following questions to the Minister under the Official Information Act:</p> <ol style="list-style-type: none"> <li>1. Do you agree that the 75-90 year Gleissberg Cycle, the 200-500 year Suess Cycle are accepted by climate scientists as valid?</li> <li>2. Do you agree with the graph I included in my letter showing consistent cycles of extreme warming and extreme cooling caused by variations in the orbit of the earth around the sun, interspersed with less extreme warming and cooling cycles over shorter periods?</li> <li>3. Do you agree that the planet is currently within one of those shorter periods?</li> <li>4. Do you agree that the current level of CO2 in the atmosphere amounts to only 0.04% (approximately 400 parts per million).</li> <li>5. Do you agree that a higher level of CO2 would be beneficial to the growth of crops, plants and trees?</li> <li>6. Can you tell me the approximate total sum in millions which has been levied on consumers of fuel (3c/litre) and electricity</li> </ol>	s 9(2)(a)	-	OIA24	MfE	16-Aug-18	21-Aug-18

[COMMERCIAL IN-CONFIDENCE]

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office/current status	Date due to send
(1c/unit) to enable suppliers to purchase carbon credits, since 1st July 2010? 7. What effect have these levies had on the climate? 8. Can you confirm that millions of New Zealand dollars were spent by certain suppliers to purchase cheap carbon credits from the Ukraine?						
I am requesting the following briefing under the Official Information Act:  "The role of methane emissions in mitigating climate change" (18-B-04702) on 26 June.	s 9(2)(a)	National Party	tba	MfE	26-Aug-18	30-Aug-18
Any official NZ weather and climate records or other official reports relied upon to make these statements in the Carbon Zero discussion document released by the Ministry for the Environment. Message from the Minister  New Zealand has always had dramatic weather. But the frequency and the severity of storms, coastal and river flooding, droughts, and wildfires are increasing.	s 9(2)(a)	Act Party	18-O-01687	MfE	3-Aug-	Mon, 6 Aug

[COMMERCIAL IN-CONFIDENCE]

## 7.2. Ministry for the Environment OIAs

Request	Correspondent	Organisation	Reference	Date due to send
Any excel files received from NZIER in relation to economic modelling of climate change policy.	§ 9(2)(a)	National Party	18-D-01457	Thu, 9 Aug
Any official NZ weather and climate records or other official reports relied upon to make these statements in the Carbon Zero discussion document released by the Ministry for the Environment. Message from the Minister  New Zealand has always had dramatic weather. But the frequency and the severity of storms, coastal and river flooding, droughts, and wildfires are increasing. Executive summary  Each year, we are seeing more and more extreme weather events.  And on page 15 these two statements  The world has already warmed about 1 degree C since 1900, and the increase in greenhouse gases is the main reason for this. We have suffered more frequent and severe weather events (floods droughts and wildfires)	§ 9(2)(a)	Act Party	18-D-01573	Mon, 6 Aug
With regard to the recent group of 60 companies that committed to tackling climate change. What requests have you had from these companies and their advocates such as PEPANZ: Petroleum Exploration and Production NZ, questioning the climate science and the evidence that is currently being used to form different government decisions and legislation?	§ 9(2)(a)	RNZ	18-D-01604	Thu, 16 Aug
All advice, briefings and correspondence with councils and Local Government New Zealand about the Coastal Hazards and Climate Change guidance published in December last year ( <a href="https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation">https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation</a> ). The time period of my request is December 15 last year, the date the guidance was published, and today's date. This information is in the public interest because it involves important planning guidance for councils, but it also shows what it is that councils and LGNZ are saying to the minister's office about the published guidance.	§ 9(2)(a)	Newsroom	18-O-01626	Mon, 20 Aug
A copy of any excel workbooks received from NZIER in relation economic analysis of a potential Zero Carbon Act?	§ 9(2)(a)	National Party	18-D-01655	

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## Weekly update - Minister for Climate Change

Finalised on 10 August for the week commencing 13 August

**Date:** 13 August  
**Time:** 1.45 - 3.45 pm  
**Location:** Office of the Minister for Climate Change

**Attendees:** Hon James Shaw, Minister for Climate Change  
 Cheryl Barnes, Deputy Secretary, Climate Change and Water  
 Roger Lincoln, Director, Climate Change Policy  
 Janine Smith, Acting Director, Climate Change Policy  
 Bridget Fraser, Manager, Climate Change Policy  
 Mark Storey, Manager, Climate Change Policy

For item 3: Paul Alexander, Programme Director, Climate Change

For item 4:

Jeremy Corban, Acting Chief Adviser Climate Change  
 Sue-Ellen Fenelon, Acting Manager, Climate Change Policy  
 Stephen Walter, Senior Policy Analyst, Climate Change  
 Jemima Jamieson, Policy Analyst, Climate Change  
 Lisa Niven, Policy Analyst, Urban and Infrastructure Policy  
 Samantha Hill, Policy Analyst, Climate Change

	Agenda	Lead	Time
1	Context	Cheryl Barnes	10
2	s9(2)(f)(iv)	Mark Storey	5
3	Transition Hub items <ul style="list-style-type: none"> <li>• Productivity Commission – agree approach and timing of response</li> <li>• GLOBE NZ / Vivid proposals – to discuss briefing provided as requested by Minister Shaw</li> </ul>	Paul Alexander	10
<b>Discussion topics</b>			
4	ZCB: Discussion on decisions made in the sprint sessions (no paper) <ul style="list-style-type: none"> <li>a. 2050 Target</li> <li>b. Emissions budget</li> <li>c. Adaptation</li> <li>d. Climate Commission</li> </ul>	Bridget Fraser	90

## Actions from the previous meeting

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### Action points for MfE Officials

- Decision on the NZ ETS & when to launch consultation
- Provide feedback to draft ZCB Cab Paper by 27 August

## Upcoming meetings 13 August – 24 August

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<b>Monday 13 August</b>	MfE Officials Meeting International Carbon Markets project MFAT Officials
<b>Tuesday 14 August</b>	Climate Change Ministers meeting (Ministers Robertson, Jones)
<b>Wednesday 15 August</b>	Three Waters Ministers Meeting Phone call with Karl Budge regarding Formula E (tbc)
<b>Thursday 16 August</b>	UAE Minister of Climate Change and Environment Meeting with James Bushell, Director at MOTIF (tbc) Meeting with Jim Bolger & Andrew Knight (Chief Executive - Gas Industry Company Limited)
<b>Friday 17 August</b>	Meeting with the Farming Leaders' Group

## 1. Material for you to be aware of this week

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### Domestic

#### 1.1. Briefing on extension to HASHAA

MBIE have sent a briefing to the Minister for Housing and Urban Development, to be shared with yourself and Minister Parker, on a possible extension to the Housing Accords and Special Housing Areas Act 2013 (HASHAA). The Climate Change Adaptation Working Group identified the HASHAA as contributing to competing objectives across legislation and policies on climate change adaptation and resilience and disaster risk reduction.

The HASHAA is currently set to partially expire in 2019 and fully expire by 2021. The briefing recommends extending HASHAA by five to seven years pending the review underway through the Urban Growth Agenda and the development of the Urban Development Agency. The recommendations note that HASHAA has broader risks, including reducing public participation and shifting the relative weight of natural hazards assessment. MBIE references the CCATWG recommendation on this, recognising the potential issue.

If Minister Twyford agrees to seek Cabinet approval to extend HASHAA with the option of making minor amendments (the recommended option), MBIE will provide further advice in October to support the implementation of HASHAA. We will look to engage with MBIE on whether there is an opportunity to consider how HASHAA could be amended to address the issue raised by the CCATWG.

## 1.2. Publication of the Electricity Price Review First Report

The Minister of Energy and Resources commissioned a review of electricity prices with approval of the terms of reference in March 2018 and appointment of an independent panel of experts (the Panel) in April 2018. The review started later that month.

The Panel were tasked with investigating whether the electricity sector, as it exists at present, is delivering a fair price to consumers. Additionally, the panel were asked to consider whether the electricity market and the regulatory framework will continue to be appropriate in the future, and particularly with the emergence of new technologies.

The Panel have produced a first report presenting findings from stage one of the review – focused on fact finding and evidence gathering around potential issues in the electricity sector.

The report provides an examination of the electricity sector using the measures of competition and efficiency, reliability, fairness and affordability, while keeping in mind environmental sustainability, the shift to renewable energy, and the impact of innovations in technology.

It is highly likely that there will be a number of issues in the report that will be of high interest to stakeholders and the first report will generate a high number of submissions on both the issues, and suggestions for improvements.

Following Cabinet approval the Minister of Energy and Resources plans to release the report for consultation in September 2018.

The next stage of the review will look at potential solutions to the issues highlighted in the first report. The Panel aim to gather feedback to enable them to verify or amend the findings for inclusion in the next report.

We have received a copy of the report and the draft Cabinet paper on the Electricity Price Review's first report. However, we have had insufficient time to consider the report in detail.

## 1.3. Fonterra to electrify Stirling site and divest out of coal mine investments

On Friday 10 August, Fonterra announced it will electrify its Stirling dairy processing site in Otago which currently runs off coal. Planning is underway for the change of energy supply at Stirling and learnings from this project will help Fonterra replicate electrification across similar sites. Electrification of the Stirling site will reduce Fonterra's coal use by around 10,000 tonnes per year.

Electrification of the site will complete Fonterra's final action under the Roadmap to Transition to a Low Emission Future (the Roadmap) in partnership with the Ministry. Completed actions include:

- identification of energy efficiency solutions for existing dairy plant processes and assessment of the technical and economic feasibility of fuel-switching plant to electricity or biomass in December 2017
- co-firing biomass in its existing coal boiler at the Brightwater dairy factory by October 2018, reducing the sites' carbon dioxide emissions by 25 per cent.

To help meet its commitment of net zero emissions for global operations (energy) by 2050, Fonterra has surrendered its Mangatangi coal mining permit. According to Robert Spurway, Fonterra's Chief Operating Officer of Global Operations, Fonterra will no longer mine coal and will have divested 296 hectares of land that had been acquired for coal mining by the end of the year.

The partnership is an example of how the private and public sectors can work together to accelerate New Zealand's transition to a low carbon economy. Fonterra's commitments and actions under the Roadmap have spurred other large energy users such as Synlait Milk into action. In July 2018, Synlait announced ambitious emission reduction targets similar to Fonterra's and committed to installing an electrode boiler at its Dunsandel plant.

Fonterra are keen to play a leadership role in the transition to a low emission future. On 10 August, Fonterra will host a Climate Change Breakfast for business leaders. Additionally, Synlait officials have told the Ministry they intend to discuss lessons learned from Fonterra co-firing biomass in its Brightwater coal boilers.

Officials are currently working with Fonterra and government agencies to scope out next steps for the Roadmap. We will keep you updated on future developments.

## International

### 1.4. Update on Mexico's new ETS laws

Further to MFAT's report of 30 July, we have received advice on planned treatment of agricultural emissions in Mexico's ETS. Industrial and electricity sectors will be included at first, with the possibility of other sectors being brought in after the 3 year pilot period. There is no current plan for inclusion of agriculture. It is seen as too complicated, due to the large disparities between large- and small-scale producers. The new climate change law sets out an 8% emissions reduction target for the agriculture sector. This is not specified in Mexico's NDC (22% emissions reduction on a BAU baseline). Mexico is interested in learning from New Zealand's experience in the measurement, reporting and verification of agricultural emissions and standards for carbon offsets. s9(2)(g)(i)

### 1.4 Update on climate-related support component of official development assistance

MFAT officials are close to finalising advice to the Minister of Foreign Affairs on a four-year target for climate-related support, following the recently approved increase to New Zealand's official development assistance. That support is expected to be directly largely toward the Pacific, with a greater focus on adaptation. A more detailed update will be provided to you shortly.

### 1.5 Update on Dutch climate policies

MFAT's Post in the Hague has reported on processes currently under way in the Netherlands which will set the framework for Dutch climate action over the next decades.

- A Climate Act is being progressed through Parliament (introduced by opposition parties, the Green-Left and Labour), but with the support of all current coalition parties. The Act will set a target of 49% reduction of climate emissions by 2030 and, by 2050, a target of 95% reduction of carbon emissions and completely CO<sub>2</sub> neutral electricity production. The Act also sets out a range of reporting requirements and allows for the Government to be held accountable by Parliament (but not through the courts).
- A national 'Climate Accord' is also being developed by the Government, in consultation with industry and civil society, and will represent one of the largest economic reforms in Dutch

history. The Accord will set out in detail how the national climate targets can be reached in practice, with working groups currently looking at emission reduction sector by sector (electricity, built environment, industry, agriculture, and transport).

Industry will make a major switch from gas to electricity in the coming years and will capture CO<sub>2</sub> from factories and store it under the North Sea. Tough negotiations are expected on transport and agriculture sectors. Minister of Economic Affairs and Climate Policy, Eric Wiebes, has publicly rejected criticism that the Netherlands is going further than other European partners and says that every country will have to comply with the Paris agreement, and “those who start playing the game sooner have a better chance of winning”.

## 1.6 Polish trade unions defend coal industry ahead of COP24

The Polish trade unions have released a statement at a stakeholder conference being held this week in Katowice, dominated by mining and industrial unions, and aiming to influence COP24. Incoming President Michal Kurtyka, who you met with in Singapore, is expected to speak at the meeting. The trade unions’ statement does not explicitly mention the coal industry, however proposals include: exempting the most efficient plants in each industry from carbon pricing; treating all energy carriers equally and invoking national sovereignty to allow states to produce the cheapest energy; ensuring climate policy does not reduce countries’ competitiveness; and that costs should be borne by consumers of emissions-intensive goods and services in richer countries. The statement also calls for a “Dialogue” between employers, trade unions, government and scientists at UN level. s6(a)

## 1.7 Ukraine publishes its long term low emissions development strategy

Ukraine is the latest country to communicate its long-term low emissions development strategy (LT-LEDS) to the UNFCCC. It’s LT-LEDS, submitted on 30 July, covers a range of policies including legislative and market and institutional transformation, and decarbonisation strategies by sector. Energy policies focus on energy efficiency, renewable energy, market mechanisms and innovation, including nuclear and hydrogen energy development. Energy efficiency in agriculture is also addressed. The strategy addresses reduction of non-CO<sub>2</sub> gases (methane and nitrogen) specifically in fossil fuel, waste and agriculture sectors. Waste policies centre on reduction in waste generation by social campaigns, and improvement in waste treatment processes. Agriculture policies include improvement of animal feeding practices, manure management technologies, fertiliser efficiency, and water management. The strategy also incorporates increasing the role of forests in absorbing CO<sub>2</sub>: a national forestry programme, better business practices in the sector, and promoting wood as an alternative to other more emissions intensive materials such as concrete. The strategy also acknowledges that due to the age-class structure of national forests, the absorption capacity will gradually decrease, however this is planned to be offset by increasing forest cover.

Ukraine is planning to review its LT-LEDS every five years to measure progress and assess increasing its level of ambition.

## 2 Upcoming key events/announcements involving MfE/MFAT:

- Start of NZ ETS consultation – early next week
- Release of Productivity Commission report – 31 August

## 3 Upcoming briefings

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To meet the timeframe that introduces the Zero Carbon Bill to the House on **6 December** we will be providing you with the first draft of the Cabinet Paper and RIS on the **17 August**. This will be accompanied by a Briefing Note which will describe MfE's policy recommendations and outline any competing agency views.

As agreed at our officials meeting with you on 1 August, we will require your feedback on these papers by **27 August**. The details of the process and next steps are in Appendix 1 below.

Proactively released

## Papers for your 17 August bag

Issue or event	Lead	Further information
International climate change initiatives	MFAT	This stocktake of the international climate change-related initiatives in which New Zealand has engaged will explain their purpose, the rationale for our involvement, and any resource implications.
COP24 delegation advice	MFAT	Tests your comfort with the delegation to COP24 likely to be submitted for accreditation by Minister of Foreign Affairs by November (sending now as delegates need to plan travel).
Minister O'Connor's attendance at COP24	MFAT	Paper being prepared for State Minister of Trade and Export Growth on expectations regarding his attendance at COP24 and New Zealand's sustainable agriculture event. To be referred to you for information.
Obligations and expectations arising from the Paris Agreement	MFAT/MfE	Sets out MFAT/MfE views on which of New Zealand's obligations under the Paris Agreement need to be reflected in the ZCB legislation and how this might be done.
Draft MfE annual report 2017/18 for your information	MfE	Draft MfE annual report supplied for your information and any feedback.

## Papers for your 31 August bag

Issue or event	Lead	Further information
Gazette notice calling for data on the industrial activity of refining petroleum	MfE	This briefing attaches a call for data Gazette notice on the industrial activity of refining petroleum. Data that will be provided in response will enable decisions on eligibility and related matters for allocation of emissions units for this activity from the start of 2023. Before issuing the notice, the Minister must approve a range of matters, including the adequacy of consultation to date and the definition of the activity.
Refrigerated shipping containers and the NZ ETS	MfE	Recommends a policy approach to addressing the application of NZ ETS costs to synthetic greenhouse gases that are used to service refrigerated shipping containers.
NZ ETS technical non-forestry regulation amendments LEG paper	MfE	Covering briefing and talking points for NZ ETS regulations amendments LEG paper

## 4 Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
Climate change: NZ's international leadership	ERS or ENV (tbc)	Seeks agreement on how the international climate change work programme will deliver on the Government's aspiration for global leadership on climate change	Lodge mid Sept (TBC) ERS or ENV mid Sept (TBC) Cabinet end Sept (TBC)
Zero Carbon Bill	DEV	Policy decisions and report back on consultation	Lodge 13 Sept DEV 19 Sept Cabinet 24 Sept
NZ ETS technical and SGG regulations amendments	LEG	Seeks agreement to technical NZ ETS amendment regulations for non-forestry sectors	Lodge 13 Sept LEG 20 Sept Cabinet 24 Sept

## 5 Cabinet material we have been consulted on

Paper name	Agency	Committee	Our advice on the paper
Draft Research, Science & Innovation Strategy	MBIE	DEV	<p>The draft paper seeks Cabinet's agreement to develop a Research, Science and Innovation strategy that will achieve Government's economic, environmental and social objectives.</p> <p>The Minister of Research, Science and Innovation will consider the draft on August 10th, and consult with her colleagues. The working-date for lodgement to DEV is 5 September.</p> <p>We advise that the paper will seek approval for stakeholder engagement on the strategy, and we strongly suggest that this engagement - targeted or broader - fully considers low emissions innovation opportunities and the potential for the role of innovation in the transition.</p> <p>We advise you take strong interest in the strategy's development.</p>
[Draft] The cross-portfolio low-emissions vehicle work programme	MoT	N/A at current time	<p>In your role as Acting Associate Minister of Transport you will be receiving a draft version of this paper for your comment. This is to allow for a more timely process as it still requires going through the Climate Change CE Board at their next meeting (31 Aug), before being brought back before you and it being taken to the following Climate Change Minister's meeting.</p> <p>This paper results from a stocktake of policies and new considerations. We support the priority list set out in the draft paper. We find that the vehicle efficiency standards and feebate scheme will have the greatest impact on increasing fuel efficiency, the uptake of low emission vehicles and deliver the greatest emissions abatement potential. However, we do note there will be potential equity issues some of these policies might bring on, and it will be important to address these in the policy development stage</p>

## 6 OIA requests

### 6.5 Ministerial\*

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<p>I now submit the following questions to the Minister under the Official Information Act:</p> <ol style="list-style-type: none"> <li>1. Do you agree that the 75-90 year Gleissberg Cycle, the 200-500 year Suess Cycle are accepted by climate scientists as valid?</li> <li>2. Do you agree with the graph I included in my letter showing consistent cycles of extreme warming and extreme cooling caused by variations in the orbit of the earth around the sun, interspersed with less extreme warming and cooling cycles over shorter periods?</li> <li>3. Do you agree that the planet is currently within one of those shorter periods?</li> <li>4. Do you agree that the current level of CO<sub>2</sub> in the atmosphere amounts to only 0.04% (approximately 400 parts per million).</li> <li>5. Do you agree that a higher level of CO<sub>2</sub> would be beneficial to the growth of crops, plants and trees?</li> <li>6. Can you tell me the approximate total sum in millions which has been levied on consumers of fuel (3c/litre) and electricity</li> </ol>	s 9(2)(a)	-	MfE	16-Aug-18	21-Aug-18

[COMMERCIAL IN-CONFIDENCE]

Request	Correspondent	Organisation	Drafting agency	Due at your office/current status	Date due to send
(1c/unit) to enable suppliers to purchase carbon credits, since 1st July 2010? 7. What effect have these levies had on the climate? 8. Can you confirm that millions of New Zealand dollars were spent by certain suppliers to purchase cheap carbon credits from the Ukraine?					
I am requesting the following briefing under the Official Information Act: "The role of methane emissions in mitigating climate change" (18-B-04702) on 26 June.	s 9(2)(a)	National Party	MfE	23-Aug-18	30-Aug-18
I am requesting the following briefing under the Official Information Act: "The role of methane emissions in mitigating climate change" (18-B-04702) on 26 June.	s 9(2)(a)	Futura Media	MfE	29-Aug-18	05-Sep-18

[COMMERCIAL IN-CONFIDENCE]

## 6.6 Ministry for the Environment OIAs

Request	Correspondent	Organisation	Reference	Date due to send
<p>“Please provide the various drafts of the Consultation paper “Ministry for the Environment. 2018. Our Climate Your Say: Consultation on the Zero Carbon Bill. Wellington: Ministry for the Environment.”</p> <p>In addition I would like to know where the initial draft came from, any instructions to the Chief Executive, officials or draftspersons and discussions, notes of meetings and correspondence with external (to the department) parties (including other officials) in regards to its content. I am particularly interested to see information that rationalises the somewhat alarmist claims that have already been subject to the OIA (summarised below) and the information contained in an earlier document published by MfE known as: “Our atmosphere and climate 2017 DATA TO 2016” (attached) that is somewhat more measured in its analysis (see attached synthesis).”</p>	§ 9(2)(a)	Spinletpop Law	18-D-01568	Fri, 3 Aug
<p>With regard to the recent group of 60 companies that committed to tackling climate change. What requests have you had from these companies and their advocates such as PEPANZ: Petroleum Exploration and Production NZ, questioning the climate science and the evidence that is currently being used to form different government decisions and legislation?</p>	§ 9(2)(a)	RNZ	18-D-01604	Thu, 16 Aug
<p>A copy of any excel workbooks received from NZIER in relation economic analysis of a potential Zero Carbon Act?</p>	§ 9(2)(a)	National Party	18-D-01655	Tue, 21 Aug
<p>Can I please have any information received or produced that considers spatial land use change information produced by the LURNZ model during the process of modelling potential land use change under various scenarios for a 2050 greenhouse gas emissions reduction target?</p> <p>Can I also please have a copy of any internal memos, reports or other documents that discuss precisely where land use change is either modelled to occur or anticipated to occur in order to achieve various proposed greenhouse emissions reduction targets for 2050. This request is specifically in relation to various government reports and discussion documents recently released that indicate a zero emissions target by 2050 is possible but will require extensive afforestation. I am interested to understand where this afforestation is likely to occur.</p>	§ 9(2)(a)	National Party	18-D-01721	Mon, 27 Aug

[COMMERCIAL IN-CONFIDENCE]

Appendix – ZCB process and next steps



\* The Power to Act in Leg (and therefore negate the need to go to Cabinet) will need to be pre-agreed with the PM and at the first Cabinet meeting.

NOTE: It is acknowledged that there are significant risks associated with this timeframe. These will be mitigated where possible and reviewed regularly. This may mean future changes to these dates.

## Weekly update - Minister for Climate Change

Finalised on 17 August for the week commencing 20 August

No climate officials meeting due to Minister being on leave.

### Actions from the previous meeting

- MfE will work with your office on a possible response to the Productivity Commission report once it becomes available
- MfE will draft a letter on your behalf on the work that GLOBE NZ could be involved in.

### 1. Key decisions for you to make this week

Provide feedback on ZCB cabinet paper

### 2. Material for you to be aware of this week

#### Domestic

#### 2.1. Zero Carbon Bill: Parliamentary process timeframes

Introducing the ZCB to the House on 6 December 2018 will not change the Parliamentary process timeframes that we have previously communicated to you. These include:

Dev Committee	19 September 18
Cabinet decisions	24 September 18
Introduction to the House	3 December 18
First Reading	6 December 18
Select Committee (4 months)	Mid Feb – Mid June 19
Committee of the whole House	End June 19
Third reading	Early July 19
Royal assent	Mid July 19

## 2.2. NZ ETS consultation announcement

Media coverage of the announcement on NZ ETS consultation has been relatively low key. Carbon News posted extensive coverage of the proposed improvements with a focus on the price ceiling. Newsroom ran a neutral item.

Our Facebook post received mostly negative comments including the usefulness of the scheme, and the fact that agriculture wasn't included in the NZ ETS. One comment asked for MFE consultation costs and we posted a figure (about \$17,000). There was limited pick up on Instagram and Twitter.

The consultation page on the MFE website received 1,158 views in the two days following the announcement while the NZ ETS portal page was viewed just 148 times.

The market has also reacted to the release of the NZ ETS consultation documents in a controlled fashion. Since the release of the documents, the NZU price has moved \$1.10 to reach \$24.20 (as at 16/08/2018). We will continue to monitor the NZU price and provide you with advice on options to help manage the fiscal risk posed by the fixed price option.

## International

### 2.3 EU may revise its 2030 Target

Over the last year the EU has been finalising the legislation that will implement its Paris Agreement target of an at least 40% reduction of 1990 emissions by 2030. Following negotiations between the European Parliament and Council these packages have been strengthened and if fully implemented would achieve a reduction of approximately 45% on the EU's 1990 emission levels.

Two of the three implementing legislative packages were finalised earlier this year. These packages involve reform of the EU's Emissions Trading Scheme (ETS) and the Effort Sharing Regulation which sets compulsory Member State emission reductions targets in non-ETS sectors. The Clean Energy Package is the final legislative package required to implement the EU's 2030 target and has now been agreed between the European Parliament and the Council. The Package includes EU-wide targets for renewable energy and energy efficiency along with a number of technical changes and measures to increase the use of biofuels, renewable energy and building improvements.

### 2.4 Climate Change Ambassador's meetings with Oxfam and the Super Fund

While in Auckland to attend Fonterra's climate change breakfast on 10 August, Jo Tyndall also had meetings with Oxfam (Rachel le Mesurier) and the NZ Super Fund (Anne-Maree O'Connor). The meeting with Oxfam was in response to a letter (a version of which was sent to you) seeking a briefing ahead of the upcoming UN negotiating session in Bangkok. Jo's update on the climate change negotiations was appreciated. Oxfam pressed hard for a New Zealand announcement of an intention to review our 2030 NDC, but did express some understanding that meeting the current target substantially (or completely) through domestic abatement was highly ambitious. Oxfam would be hosting a panel on climate migration at Victoria University of Wellington during November, and was looking at either 17/18 or 24/25 as possible dates. Jo noted the pre-COP would clash with the latter option.

The Super Fund reported on its engagement in the International Forum of Sovereign Wealth Funds (ISWF) and President Macron's success in getting Gulf funds on board. This had been a

key objective for the One Planet Summit. Anne-Maree O'Connor would be at the UNGA One Planet follow-up event (where PM Ardern will speak). In Anne-Maree's view, investors needed to be convinced around the realities of risk and where the upside exists. Carbon emitters will either be punished by policy and/or overtaken by technology. Investing in both low-carbon and high-carbon assets was a waste of money. Getting which of these two scenarios would play out integrated into valuation models was the next priority.

### 3 Upcoming key events/announcements involving MfE/MFAT

#### 3.3 Productivity Commission final report on 4 September

#### 3.4 Freshwater release of materials

Planning is underway for the launch of the essential freshwater work programme, however a date for the launch is yet to be confirmed. Officials will continue to discuss details of the launch and a briefing will be forwarded to you and your colleagues next week, including Agriculture Minister Damien O'Connor, Associate Environment Minister Nanaia Mahuta, Associate Environment Minister Eugenie Sage, Crown/Māori Relations Minister Kelvin Davis and Forestry Minister Shane Jones.

#### 3.5 Biological Emissions Reference Group report release – TBC

### 4 Upcoming briefings

#### Advice on international leadership on agriculture and climate change

MFAT has previously reported MPI is preparing advice to Minister O'Connor, and you, s9(2)(g)(i)

, we support the recommendations in the paper, which will be referred to your office next week.

#### Papers for your 31 August bag

Issue or event	Lead	Further information
Release of the Productivity Commission's final report on the Low-Emissions Economy Inquiry	MfE	The Productivity Commission will release its final report on the Low-Emissions Economy Inquiry on Monday 3 September. You will also be meeting with the member of the Productivity Commission on this day. This briefing provides information on the key findings and next steps for responding to the Commission's recommendations.
LEG paper on NZ ETS non-forestry regulations updates	MfE	Talking points and summary of LEG paper

NZ ETS Industrial Allocation: Approval of call for data on petroleum refining	MfE	This briefing attaches a call for data Gazette notice on the industrial activity of refining petroleum. Data that will be provided in response will enable decisions on eligibility and related matters for allocation of emissions units for this activity from the start of 2023. Before issuing the notice, you must consider on the adequacy of consultation to date and the definition of the activity, as detailed in the briefing.
Draft annual report 2017/18 for your information	MfE	Draft annual report supplied for your information and any feedback.

## 5 Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
Climate change: NZ's international leadership	ERS or ENV (tbc)	Seeks agreement on how the international climate change work programme will deliver on the Government's aspiration for global leadership on climate change	Lodge mid Sept (TBC) ERS or ENV mid Sept (TBC) Cabinet end Sept (TBC)
Zero Carbon Bill	DEV	Policy decisions and report back on consultation	Lodge 13 Sept DEV 19 Sept Cabinet 24 Sept
NZ ETS forestry technical regulation improvements (MPI lead)	ENV	Report back from consultation and approval for drafting amendments	11 Sept
NZ ETS technical and SGG regulations amendments	LEG	Seeks agreement to technical NZ ETS amendment regulations for non-forestry sectors for 2019, including update of synthetic greenhouse gas levy regulations	20-Sept
NZ ETS Section 60 exemptions (MPI lead)	LEG	Amendment regulations for two exemptions for specific areas of heritage and Maori freehold land	20-Sept
NZ ETS forestry section 60 exemptions 'go fast' policy paper (MPI lead)	ENV	Proposal for a 'go fast' process for responding to requests for forestry exemptions	TBC
Zero Carbon Bill	LEG	Presentation of draft amendment Bill	29-Nov
NZ ETS forestry technical regulation improvements (MPI lead)	LEG	Presentation of draft amendment regulations	29 Nov
NZ ETS improvements - report back from consultation	TBC	Report back from consultation and approval for drafting amendment Bill	Dec (TBC)

## 6 OIA requests

### 6.3 Ministerial\*

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office/current status	Date due to send
<p>I now submit the following questions to the Minister under the Official Information Act:</p> <ol style="list-style-type: none"> <li>1. Do you agree that the 75-90 year Gleissberg Cycle, the 200-500 year Suess Cycle are accepted by climate scientists as valid?</li> <li>2. Do you agree with the graph I included in my letter showing consistent cycles of extreme warming and extreme cooling caused by variations in the orbit of the earth around the sun, interspersed with less extreme warming and cooling cycles over shorter periods?</li> <li>3. Do you agree that the planet is currently within one of those shorter periods?</li> <li>4. Do you agree that the current level of CO2 in the atmosphere amounts to only 0.04% (approximately 400 parts per million).</li> <li>5. Do you agree that a higher level of CO2 would be beneficial to the growth of crops, plants and trees?</li> <li>6. Can you tell me the approximate total sum in millions which has been levied on consumers of fuel (3c/litre) and electricity (1c/unit) to enable suppliers to purchase carbon credits, since 1st July 2010?</li> <li>7. What effect have these levies had on the climate?</li> <li>8. Can you confirm that millions of New Zealand dollars were spent by certain suppliers to purchase cheap carbon credits from the Ukraine?</li> </ol>	s 9(2)(a)		OIA124	MfE	16-Aug-18	21-Aug-18
<p>I am requesting the following briefing under the Official Information Act:            "The role of methane emissions in mitigating climate change"            (18-B-04702) on 26 June.</p>	s 9(2)(a)	National Party	OIA125	MfE	23-Aug-18	30-Aug-18

[COMMERCIAL IN-CONFIDENCE]

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office/current status	Date due to send
Can we get a copy of the methane paper referred to in this answer? • 26 Jul 2018 - 14834 (2018). Todd Muller to the Climate Change (Minister - James Shaw)	s 9(2)(a)	Future Media	OIA128	MfE	30-Aug-18	5-Sep-18
Can your office please release the following information: All advice, briefings and correspondence with councils and Local Government New Zealand about the Coastal Hazards and Climate Change guidance published in December last year ( <a href="https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation">https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation</a> ). The time period of my request is December 15 last year, the date the guidance was published, and today's date. This information is in the public interest because it involves important planning guidance for councils, but it also shows what it is that councils and LGNZ are saying to the minister's office about the published guidance.	s 9(2)(a)	Newsroom	OIA122	MfE	05-Sep-18	10-Sep-18
I am requesting the below documents under the Official Information Act.  Joint Aide Memoire: ""The ETS Fixed Price Option - 19 July; 'Climate teams', a potential cooperative approach for international carbon markets - 27 July; International Carbon Markets Project – 2018-2019 - 5 July Memo: Technical information about New Zealand's pre-2021 access to international carbon markets - 6 July; Options for consultation on industrial allocation - 6 July The role of methane in mitigating climate change - 26 June	s 9(2)(a)	National Party	tba	MfE	06-Sep-18	13-Sep-18
Can I please request the following documents under the Official Information Act? Call for the provision of electricity related contracts (aluminium smelting) notice 2018 -Thu, 12 July; Proposed climate change work programme on agriculture - Fri, 20 July;	s 9(2)(a)	National Party	tba	MfE	06-Sep-18	13-Sep-18

[COMMERCIAL IN-CONFIDENCE]

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office/current status	Date due to send
<p>I'm requesting the following document under OIA Act 1982:</p> <p>Meeting with the Petroleum Exploration and Production Association of New Zealand (PEPANZ) on Monday July 2 2018.</p>	s 9(2)(a)	National Party	tba	MfE	06-Sep-18	13-Sep-18
<p>Under the Official Information Act I request a copy of the following documents:</p> <p>"Improvements to the NZ Emissions Trading Scheme Slide Pack"" - 11 July; "</p> <p>"Meeting Brief: Ann Smith and Steve Dixon, Enviro-Mark Solutions (18 July)"" - 12 July; "</p> <p>"Climate Change ETS Forestry Package Cabinet paper and supporting materials for Ministerial consultation"" - 12 July;</p>	s 9(2)(a)	National Party	tba	MfE	06-Sep-18	13-Sep-18
<p>I'm requesting the official document below under the Official Information Act:</p> <p>Zero Carbon Bill runsheet for Greymouth - Fri, 29 June 2018</p> <p>Can I also please have a copy of the Minister's Outlook diary between 2nd July 2018 and 9th July 2018, and any briefing documents that were prepared for the Minister in the lead up to the Zero Carbon Bill public meeting in Greymouth on 2nd July 2018.</p>	s 9(2)(a)	National Party	tba	MfE	06-Sep-18	13-Sep-18

[COMMERCIAL IN-CONFIDENCE]

## 6.4 Ministry for the Environment OIAs

Request	Correspondent	Organisation	Reference	Date due to send
<p>"Please provide the various drafts of the Consultation paper "Ministry for the Environment. 2018. Our Climate Your Say: Consultation on the Zero Carbon Bill. Wellington: Ministry for the Environment."</p> <p>In addition I would like to know where the initial draft came from, any instructions to the Chief Executive, officials or draftspersons and discussions, notes of meetings and correspondence with external (to the department) parties (including other officials) in regards to its content. I am particularly interested to see information that rationalises the somewhat alarmist claims that have already been subject to the OIA (summarised below) and the information contained in an earlier document published by MfE known as: "Our atmosphere and climate 2017 DATA TO 2016" (attached) that is somewhat more measured in its analysis (see attached synthesis)."</p>	s 9(2)(a)	Spinletop Law	18-D-01568	Fri, 3 Aug (Not possible to extend deadline after due date has passed – so will need to be recorded as completed late)
<p>All advice, briefings and correspondence with councils and Local Government New Zealand about the Coastal Hazards and Climate Change guidance published in December last year (<a href="https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation">https://www.beehive.govt.nz/release/climate-change-risks-and-adaptation</a>). The time period of my request is December 15 last year, the date the guidance was published, and today's date. This information is in the public interest because it involves important planning guidance for councils, but it also shows what it is that councils and LGNZ are saying to the minister's office about the published guidance.</p>	s 9(2)(a)	Newsroom	18-O-01626	Mon, 20 Aug
<p>I have a request for official information under the Official Information Act regarding the OECD public The economic consequences of climate change:</p> <ul style="list-style-type: none"> <li>• Any advice or briefings you gave to ministers on the 2015 OECD report The economic consequences of climate change;</li> <li>• Any communication with the OECD about that report; and</li> <li>• Any analysis of the estimate of the cost of global warming as a percentage to Australia and New Zealand by 2060 contained in the report.</li> </ul>	s 9(2)(a)		18-D-01684	Thu, 6 Sep (extended)
<p>Can I please have any information received or produced that considers spatial land use change information produced by the LURNZ model during the process of modelling potential land use change under various scenarios for a 2050 greenhouse gas emissions reduction target?</p> <p>Can I also please have a copy of any internal memos, reports or other documents that discuss precisely where land use change is either modelled to occur or anticipated to occur in order to achieve various proposed greenhouse emissions reduction targets for 2050. This request is specifically in relation to various government reports and discussion</p>	s 9(2)(a)	National Party	18-D-01721	Mon, 10 Sep

[COMMERCIAL IN-CONFIDENCE]

Request	Correspondent	Organisation	Reference	Date due to send
documents recently released that indicate a zero emissions target by 2050 is possible but will require extensive afforestation. I am interested to understand where this afforestation is likely to occur.				

Proactively released

[COMMERCIAL IN-CONFIDENCE]