

Weekly update - Minister for Climate Change

Finalised on 1 June for the week commencing 4 June

Date: Wednesday 6 June
Time: 10am to 11am
Location: Office of the Minister for Climate Change

Attendees: Hon James Shaw, Minister for Climate Change
 Penny Nelson, Deputy Secretary, Environmental Performance, Innovation & Climate
 Roger Lincoln, Director, Climate Change
 Janine Smith, Manager Climate Change Policy
 Paul Alexander, Transition Hub Director
 Craig Salmon, Manager, Climate Change Policy
 For item 2: Cat Wilson, Manager, Engagement

Decisions/Actions this week

Monday 4 th	Tuesday 5 th	Wednesday 6 th	Thursday 7 th	Friday 8 th
Queen's Birthday	First prep session for estimates hearing ZCB launch dress rehearsal	Officials meeting 8am	ZCB CONSULTATION LAUNCH	ZCB consultation regional launch ZCB Whangarei public hui

	Agenda	Lead	Time
1	Introduction <ul style="list-style-type: none"> ☐ Update on context ☐ Just Transitions work of MBIE and other agencies 	Roger Lincoln	10 min
2	Zero Carbon Bill: <ul style="list-style-type: none"> ☐ Updated timeframes ☐ Launch logistics ☐ Technical reports and information supporting the discussion document 	Janine Smith Cat Wilson Paul Alexander	40 min
3	ETS review update	Craig Salmon	10 min

Upcoming meetings 4 June – 15 June

5 June	Estimates 1st preparation session MFAT Officials meeting Dress rehearsal for ZCB public hui
6 June	WWF MfE Officials Meeting Speech: Summit for Previous Regional Winners of the Balance Farm Environment Awards
7 June	ZCB consultation announcement
8 June	Speech: Northland Climate Change Action Event ZCB consultation regional announcement ZCB Public Hui in Whangarei
11 June	Farm visit (Damian and Jane Roper), Patea, Taranaki ZCB Public Hui in New Plymouth
13 June	Estimates 2nd preparation session Todd Muller
14 June	Speech: Building Research Association of New Zealand (BRANZ) - Climate Change Research Programme NZ Agricultural Fielddays, Mystery Creek ZCB Public Hui in Hamilton

1. Key decisions for you to make this week

a. Finalise ZCB launch materials

2. Material for you to be aware of this week

Domestic

2.1. CCATWG report responses

The release of the Climate Change Adaptation Technical Working Group has been covered by most major news outlets. Those who covered it were OneNews, NZ Herald, Stuff (The Press, Waikato Times and Dominion Post), Hawkes Bay Today, Radio New Zealand, Maori TV, Carbon News and Newstalk ZB.

Around half of the coverage was negative with a focus on what the news outlet saw as the group's criticism of government over inaction or lack of planning. WWF says the Government needs to do more. The rest of the coverage was neutral or positive.

An editorial from the Dominion Post summarised the issues particularly well. A group of Hawkes Bay communities banding together to look at climate change adaptation welcomed the report.

2.2. Claims that ruminant livestock are greenhouse neutral are misleading

Recent opinion articles and enquiries to the Ministry have included the claim that ruminant livestock are greenhouse neutral. This claim is used to argue that agriculture should not be included in the ETS.

There are two aspects to the claim. The first is that ruminant methane comes from carbon that the animal has eaten as pasture, which was in turn extracted from carbon dioxide in the air. Because the methane in the atmosphere decays back to carbon dioxide over several decades, some people regard this as a “greenhouse-neutral” cycle. This is not the case, because methane is a much more potent greenhouse gas than carbon dioxide. Ruminant livestock convert pasture to methane, contributing to global warming. Research suggests that non-CO₂ emissions from livestock globally have caused about 20 per cent of the total warming so far.

The second aspect is that if methane emissions are constant, then they cause no further warming. Broadly, this is correct. Because methane is a short-lived gas, it does not accumulate in the atmosphere in the same way as carbon dioxide. A constant level of emissions results in constant concentration in the atmosphere (after several decades). This results in a stable contribution to warming from the methane, although this takes more than one hundred years. Recent research also indicates a small ongoing warming effect due to feedbacks in the climate system. Due to the past increases, New Zealand livestock emissions are still contributing further warming.

Irrespective of whether or not agriculture in New Zealand is contributing to further climate change, reducing methane emissions from agriculture would still help to limit further warming. As this is our main goal under the Paris Agreement, it makes sense to reduce emissions from all sectors, including methane from agriculture, where it is cost-effective to do so.

We expect that the wider issues of agriculture and methane will be prominent for the next few months (at least). Officials are willing to brief you on these issues, and will be prepared to discuss them during the upcoming public consultation on the Zero Carbon Bill.

International

2.3. New Zealand joins Electric Vehicle Initiative

With Minister Woods’ agreement, New Zealand has joined the Electric Vehicle Initiative (EVI), a programme under the Clean Energy Ministerial forum. EVI membership will link New Zealand into international best practice around electric vehicles (EVs), including policy, research and information sharing with major EV producers and markets. Other members include Canada, China, Finland, France, Germany, India, Japan, Mexico, the Netherlands, Norway, Sweden, the UK, the US and the European Union. MBIE and EECA will lead on the Government’s engagement in the EVI, with support from MFAT. Domestically, EECA supports the Government’s Electric Vehicles Programme through an information campaign and a Low Emission Vehicles Contestable Fund.

3. Upcoming briefings

Papers for your 8 June bag

Issue or event	Lead	Further information
Towards Carbon Neutrality Coalition event	MFAT	Proposed outline of a New Zealand-convened high level event during UNGA for the ‘Towards Carbon Neutrality Coalition’.

Preparation for Estimates Select Committee - Prep Session 1	MfE	Supporting information and suggested scoping for your presentation at the Estimates Select Committee
Technical reports: Economic impact analysis of 2050 targets	MfE	Provides you with an MfE draft synthesis report on the various modelling work nearing completion on the economic impacts of meeting various 2050 emission reduction targets, including by Concept, Motu and Vivid Economics (already available online), NZIER, Sense Partners and the Ministry for the Environment.

Papers for your 15 June bag

Issue or event	Lead	Further information
Ministerial satisfaction survey 2017-18	MfE	Each year we ask Ministers to complete a satisfaction survey. The results of all Ministers are published in our Annual Report. The survey is Cabinet-mandated and most policy agencies are required to seek Ministers' feedback through it.
International climate change leadership	MFAT	Initial advice on international leadership elements, building on the Framework paper considered by Cabinet in April.
International climate change and agriculture	MPI/MFAT	Initial advice on what New Zealand global leadership on agriculture and climate change could look like, as requested by you jointly with Minister O'Connor.

4. Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
Consultation on the Zero Carbon Bill	ENV	Paper seeking Cabinet paper to release a consultation document on the Zero Carbon Bill.	Lodge 18 May ENV 22 May Cabinet 28 May Final version 31 May
NZ ETS Cabinet Paper: Report back from consultation on proposed NZ ETS regulation updates for 2018	ENV	This paper summarises consultation feedback and seeks approval to issue drafting instructions	Lodge 28 June ENV 3 July Cabinet 9 July
NZ ETS Review Implementation – Release of Discussion Document	ENV	Seeks in-principle decisions and approval for the release of a discussion document [first draft to you 28 June]	Lodge 26 July ENV 30 July Cabinet 6 August

5. OIA requests

5.1. Ministerial

Request	Correspondent	Reference	Due at your office/current status	Date due to send
<p>Interim Climate Change Committee Announced (the "Review").</p> <p>We request the following information:</p> <ol style="list-style-type: none"> 1. The total cost of the Review (or best estimate); 2. The total remuneration (including koha) of those people appointed to the Review (or best estimate); 3. The anticipated cost of travel and accommodation relating to the Review (or best estimate); 4. The number of people appointed to conduct the Review and names of these people; 5. The anticipated number of meetings of the Review (or best estimate); 6. The level, nature and cost of support by officials the Review will receive (or best estimate);and 7. The anticipated length of time the Review will take (or best estimate) 	Tax Payers Union	18-O-00841	Tue, 29 May	Tue, 5 June
<p>Climate Commission (the "Review").</p> <p>We request the following information:</p> <ol style="list-style-type: none"> 1. The total cost of the Review (or best estimate); 2. The total remuneration (including koha) of those people appointed to the Review (or best estimate); 3. The anticipated cost of travel and accommodation relating to the Review (or best estimate); 4. The number of people appointed to conduct the Review and names of these people; 5. The anticipated number of meetings of the Review (or best estimate); 6. The level, nature and cost of support by officials the Review will receive (or best estimate);and 7. The anticipated length of time the Review will take (or best estimate) 	Tax Payers Union	18-O-00842	Tue, 29 May	Tue, 5 June
Slide pack for discussion on New Zealand Emissions Trading Scheme (dated 4 December 2017)	s 9(2)(a)	18-O-00747	Wed, 30 May	Wed, 6 June

Request	Correspondent	Reference	Due at your office/current status	Date due to send
The NZ ETS price ceiling (dated 16 March 2018) https://www.parliament.nz/en/pb/order-paper-questions/written-questions/document/WQ_05770_2018/5770-2018-todd-muller-to-the-climate-change-minister	Carbon News			
Update to NZAS electricity allocation factor gazette (dated 24 November 2017) Refining New Zealand and Emissions Trading (dated 16 February 2018) https://www.parliament.nz/en/pb/order-paper-questions/written-questions/document/WQ_05769_2018/5769-2018-todd-muller-to-the-climate-change-minister	§ 9(2)(a) Carbon News	18-O-00748	Wed, 30 May	Wed, 6 June
Wed, 4 Apr: 18-B-04432 Implications to pre-1990 forest land owners utilising forest offset planting provisions in the New Zealand Emissions Trading Scheme"	§ 9(2)(a) National Party	18-O-00944	Thu, 31 May	Thu, 7 June
Release of New Zealand's Greenhouse Gas Inventory 1990 – 2016 and the 2020 Net Position (Thursday 12 April) Schedule for delivering Zero Carbon Bill advice (Friday 13 April) Interim Climate Change Committee - slides for announcement (Friday 13 April) Zero Carbon Bill - A new 2050 emissions target (Friday 13 April) Meeting with UN Food and Agriculture Organisation Director-General Mr José Graziano da Silva (Friday 13 April) Meeting with CE and Chair of Overseer Limited, 23 April 2018, 10:30-11 (Thursday 19 April) NZ ETS regulations updates 2018 Cabinet paper: Approval to consult with attached briefing (Friday 20 April)	§ 9(2)(a) National Party	18-O-00858	Fri, 1 June	Fri, 8 June
A copy of all agendas, briefings, notes and any other documentation for the Ministers meeting with the members of the interim Climate Change Committee on Tuesday 17 April, to discuss the new Committee.	§ 9(2)(a) National Party	18-O-00861	Fri, 1 June	Fri, 8 June

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5.2. Departmental

Request	Correspondent	Reference	Date due to send
I request a copy of all briefings, reports and communications since 26 October 2017 between the Ministry for the Environment and the office of the Minister for Climate Change Issues on the Zero Carbon Bill.	s 9(2)(a) National Party	18-D-00850	Thu, 7 June
A copy of all briefings, reports and communications since 26 October 2017 between the Ministry for the Environment and the office of the Minister for Climate Change on the Climate Change Response Amendment Bill.	s 9(2)(a) National Party	18-D-00886	Thu, 7 June
All reports and draft reports prepared or received on the economic impact of emissions reduction targets.	s 9(2)(a) National Party	18-D-00889	Tue, 12 June
<p>1. Is Mfe using the U.N. definition for climate change in their policy decisions?</p> <p>2. Given Methane for NZ agriculture is now stable (or very close to it), what research is mfe doing currently to work to put numbers around this.</p> <p>This point is important because NZ agriculture needs to know exactly when their emissions are officially stabilised and not considered climate change by the U.N.</p>	s 9(2)(a) Cranston Consulting Ltd	18-D-01167	Tue, 26 Jun

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Weekly update - Minister for Climate Change

Finalised on 8 June for the week commencing 11 June

No meeting with officials is scheduled regarding this update.

Actions from the previous meeting

Officials to:

Zero Carbon Bill

1. Provide a sketch of policy proposals by mid-August
2. Provide report on consultation before 18 August
3. Update weekly report on progress towards ZCB
4. Provide list of all key component of the Bill and options for each component

Technical reports

5. Email titles and description of five technical reports to your office

Upcoming meetings 11 June– 22 June

Date	Meeting
Mon 11 June	Farm visit at Damien and Jane Roper's farm, Taranaki Mayor Forum, New Plymouth ZCB Public hui, New Plymouth
Wed 13 June	MfE Officials meeting re ETS Forestry 2 nd Estimates Select Committee prep session Meeting with Gus Charteris (new General Manager for MBIE's Transition Unit) Meeting with Todd Muller
Thurs 14 June	NZ Agricultural Fielddays, Hamilton ZCB Public Hui, Hamilton
Mon 18 June	ZCB Hui, Gisborne
Tues 19 June	Joint Insurance Council Meeting Meeting with Clayton Mitchell
Wed 20 June	Forestry Ministers Meeting GGGI DG Rijsberman's New Zealand Visit MfE/MFAT Officials meeting
Thurs 21 June	Final Estimates Prep
Frid 22 June	ZCB event, Auckland ZCB Consultation, Auckland

*meeting notes will be provided by MfE

+ meeting notes will be provided by MFAT

1. Key decisions for you to make this week

Nil

2. Material for you to be aware of this week

Domestic

2.1. Zero Carbon Bill update

On 6 June we spoke to you about the timeframes for the Zero Carbon Bill including the detailed steps it will take to reach final policy decisions.

s 9(2)(f)(iv)

[Redacted text block containing several lines of blacked-out content, including a bulleted list with two items.]

We provide regular updates on the progress of the programme and will make all efforts to make efficiencies where possible.

2.2. New research supports stabilisation target for methane

A study published last week introduces a new method to compare how methane and other gases contribute to greenhouse gas emissions budgets. Compared to the currently adopted metric, this new method reduces the significance of methane in all-gases budgets or targets proposed to achieve the goals of the Paris Agreement. It also supports stabilisation targets for short-lived gases and zero-emissions targets for long-lived gases. The study was co-authored by Professor Dave Frame (VUW) with colleagues from the UK and Norway, and he is likely to publicly advocate these ideas during the current consultation on the Zero Carbon Bill.

These issues have been discussed in both the Productivity Commission report and the discussion document for the ZCB consultation, and the separate treatment of methane is already a key component of the consultation.

s 9(2)(f)(v)

[Redacted text block containing several lines of blacked-out content.]

2.4. Government Policy Statement on land transport 2018

Following from the public consultation phase of the Government Policy Statement on land transport (GPS), Minister Twyford intends to lodge a finalised version of the GPS with Cabinet Office on 14 June (with cross party consultation occurring from 4 June – 12 June and it going to DEV Committee on 20 June). The public consultation process saw over 900 submissions through a four week engagement process. Following this, the GPS has been revised to take into account public feedback and more recent Government announcements related to the land transport system. The Ministry has been consulted on both the revised GPS and the accompanying Cabinet paper. Notes of importance between the GPS provided for public consultation and the current one include:

- The four overall strategic priority areas of safety, access, environment and value for money which previously had equal focus has now been broken down into key priorities (safety and access) and supporting priorities (environment and value for money). The reasoning provided for this was that many submitters specifically endorsed a new safety strategy and agreed that increased investment in active modes (walking and cycling) and public transport was long overdue in urban and regional New Zealand. Environment and value for money priorities have been deemed to be considered more ‘at the heart of how safety and access are achieved.’
- Prioritisation of reducing GHG emissions from transport and supporting a mode shift to lower emission forms of transport still remains a key focus. As does linking expenditure and policy decisions with achieving the Paris target and the future 2050 target.
- A language change from ‘mitigating climate impacts’ to ‘reducing GHG emissions.’
- The current GPS will now show even further overall funding for expenditure on walking, cycling and public transport (this is mainly due to the draft GPS being released prior to Cabinet agreeing to the ATAP package, so an increase in the final GPS will provide sufficient funding to support delivery of ATAP and other public transport priorities outside of Auckland).

Plans also remain for a second stage GPS that would likely release in 2019. Transport officials have previously detailed that this could allow for further work relating to specifics of meeting emission reduction targets as well as looking into future rail projects and support of coastal shipping.

2.5. Update on DIA-led Community Resilience Group and CCATWG response

In our 17 May briefing “Next steps for a government response to the Climate Change Adaptation Technical Working Group Recommendations Report” we said that we intend to coordinate with the DIA-led work on community resilience to respond to the CCATWG recommendations.

The Community Resilience Group, led by DIA, has now been formed. The group includes members from Treasury, MBIE, MCDEM, MFE, DPMC and DIA at both a working group and Deputy CE level.

The group’s immediate priority is to advance options for the management of natural hazards in Kaikōura. As part of the advice on this topic, a Ministerial grouping will be proposed to discuss the Kaikōura options as well as the wider community resilience work programme. This Ministerial grouping should include the Minister for the Environment and yourself as Minister for Climate Change.

After this initial advice, the Community Resilience Group will give longer-term consideration to issues relating to resilience, including considering managed retreat options, and advancing a government response to the CCATWG recommendations report. Specific actions the group has already identified as particularly relevant to its work include: establishing governance arrangements (action 5); a centralised service for expert advice to local government (action 13); and defining funding arrangements for climate change adaptation (action 16). We will continue to engage with this group and update you on progress.

International

2.6. Environmental Audit Committee releases report pointing to inadequacies in the UK's framework of financial regulation in relation to climate risk

The UK House of Commons' Environmental Audit Committee (EAC) has released its final report as part of its Green Finance Inquiry. This report is titled 'Greening Finance: embedding sustainability in financial decision making'.

The EAC has called on the UK government to set out its expectations that listed companies and big investors should all be reporting on climate risk now, in line with best practice guidelines laid out by the Task Force on Climate-Related Financial Disclosures. They also recommend that the government make such reporting mandatory (on a "comply or explain" basis) by 2022 as a longstop.

A number of recent reports have also highlighted that entities are obligated to report material financial risks, yet there is a lack of understanding or willingness to accept that climate risks are (or can be) material financial risks.

The report also notes that any climate risk disclosure requirements should apply equally to asset owners (such as pension funds) as well as their investment managers, not just listed companies. We will keep these issues in mind as we continue to scope out further work on climate risk disclosure with the Ministry for Business, Innovation and Employment.

2.7. New research finds that technology change rather than climate policy is critical to the potential financial risks involved with the transition

New research undertaken by a collection of universities supports the idea that a carbon bubble exists. The study published in *Nature Climate Change*, argues that if this bubble is not deflated early, it could wipe trillions from the global economy, with major macroeconomic and geopolitical consequences.

This new research argues that technological change alone, even in the absence of new climate policies, could reduce global demand growth for fossil fuels to the extent that significant assets are stranded. Examples of such technological change are technologies in renewable-energy deployment, transport electrification and household/vehicle efficiency that become more efficient and therefore diminish the use of fossil fuels. Until now, observers have cited the unlikely effectiveness or timeliness of climate policies as a reason to not take the carbon bubble seriously. However, this research argues that there may be a failure to recognise the role of the ongoing technological transition on the risks of asset stranding.

The research also finds that by not promoting low-carbon technologies, countries will miss out on job creation opportunities and opportunities to reduce domestic fossil fuel demand.

3. Upcoming briefings

Papers for your 15 June bag

Issue or event	Lead	Further information
Call for the provision of electricity related contracts (aluminium smelting) notice 2018	MfE	Seeks the publication of a NZ Gazette notice calling for a copy of the new electricity contract between the NZ Aluminium Smelter and Meridian so that we can assess the implications for the allocative baseline of NZAS.
International climate change and agriculture	MPI/MFAT	Initial advice on what New Zealand global leadership on agriculture and climate change could look like, as requested by you jointly with Minister O'Connor.
Permanent Forest Sink Initiative: Improving options for landowners under the NZ ETS	MPI & MfE	Advice ahead of NZ ETS consultation on the role of permanent forests, current problems with the Permanent Forest Sink Initiative (PFSI), why the PFSI should be integrated with the NZ ETS, and areas where further consultation is needed.
New Accounting Design Details for Forestry in the ETS	MPI & MfE	<i>[Timing of advice TBD]</i> Advice ahead of NZ ETS consultation outlining technical design questions and recommendations for decisions associated with how to introduce averaging to the NZ ETS. It recommends that officials continue to develop a proposal for Ministers for further consultation.
International climate change leadership	MFAT	Initial advice on international leadership elements, building on the Framework paper considered by Cabinet in April.

Papers for your 22 June bag

Issue or event	Lead	Further information
Ministerial satisfaction survey 2017-18	MfE	Each year we ask Ministers to complete a satisfaction survey. The results of all Ministers are published in our Annual Report. The survey is Cabinet-mandated and most policy agencies are required to seek Ministers' feedback through it.

4. Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
NZ ETS: Report back from consultation on proposed NZ ETS regulation updates for 2018	ENV	This paper summarises consultation feedback and seeks approval to issue drafting instructions	Lodge 28 June ENV 3 July Cabinet 9 July
NZ ETS Review Implementation – Release of Discussion Document	ENV	Seeks in-principle decisions and approval for the release of a discussion document [first draft to you 28 June]	Lodge 26 July ENV 31 July Cabinet 6 August
NZ ETS: Report back from	ENV	This paper summarises consultation	Lodge 26 July

consultation on proposed NZ ETS forestry regulation updates for 2018		feedback and seeks approval to issue drafting instructions	ENV 31 July Cabinet 6 August
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5. Cabinet material we have been consulted on

Paper name	Agency	Committee	Our advice on the paper
Using a wellbeing approach to improve strategic decision making	Statistics New Zealand and Treasury	Priorities Committee	<p>We have been consulted on your paper, joint with the Minister of Finance, that proposes to develop a suite of indicators that will be used to analyse the living standards of New Zealanders to generate strategic advice to Government on investment needs to improve wellbeing.</p> <p>s 9(2)(g)(i)</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>We understand the paper is currently being amended before it is lodged with Cabinet Office.</p>
s 6(a)	Ministry of Transport	Economic Development Committee	<p>We have been consulted on a draft version of this Cabinet paper. The paper seeks Cabinet agreement to release the Government Policy Statement on land transport (GPS) 2018.</p> <p>Though environmental issues has now been set as a supporting priority within the new draft of the GPS it still remains one of the four priority areas. The strong language on reducing GHG emissions in the transport sector and linking policy and expenditure with current and future targets remains in a central focus.</p> <p>With this being the case and potential for further focus on reducing transport emissions in a second stage GPS planned for 2019 we support this paper and its direction.</p>
The One Billion Trees Programme – Actions and Decisions for Implementation	Ministry for Primary Industries	Economic Development Committee	<p>We have been consulted on a draft version of this Cabinet paper. The paper is a Cabinet report back from the Minister of Forestry on the programme deliver one billion trees over ten years. The paper outlines the proposed programme, and the actions and Cabinet decisions required for implementation.</p> <p>We have provided comment on aspects of the paper that are relevant for the Ministry’s work programme across the climate change, water and resource management policy areas.</p> <p>We expect to see an updated version of this paper incorporating agencies’ comments.</p>

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6. OIA requests

6.1. Ministerial*

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office/current status	Date due to send
All reports, memorandums, papers , documents, advice, correspondence, notes, emails, and other official information, written, reviewed or considered by Minister Shaw or his office since 1 January 2018, in relation to the economic cost of emissions reduction targets.	s 9(2)(a)	National Party	18-O-00946	MfE	Thu, 14 Jun	Thu, 21 Jun

6.2. Ministry for the Environment OIAs

Request	Correspondent	Organisation	Reference	Date due to send
I request a copy of all briefings, reports and communications since 26 October 2017 between the Ministry for the Environment and the office of the Minister for Climate Change Issues on the Zero Carbon Bill.	s 9(2)(a)	National Party	18-D-00850	Thu, 7 Jun
A copy of all briefings, reports and communications since 26 October 2017 between the Ministry for the Environment and the office of the Minister for Climate Change on the Climate Change Response Amendment Bill.	s 9(2)(a)	National Party	18-D-00886	Tue, 12 Jun
All reports and draft reports prepared or received on the economic impact of emissions reduction targets.	s 9(2)(a)	National Party	18-D-00889	Tue, 12 Jun
"1. Is Mfe using the U.N. definition for climate change in their policy decisions? 2. Given Methane for NZ agriculture is now stable (or very close to it), what research is mfe doing currently to work to understand the atmospheric CH4 volume associated with NZ agriculture? 3. Does mfe have a figure for atmospheric CH4 volume associated with NZ agriculture? This point is important because NZ agriculture needs to know what their atmospheric CH4 volume/concentration or there is no way of knowing if it's still changing – as per UN definition of climate change.	s 9(2)(a)	Cranston Consulting Ltd	18-D-01167	Tue, 26 Jun

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[COMMERCIAL IN-CONFIDENCE]

Weekly update - Minister for Climate Change

Finalised on 15 June for the week commencing 18 June

No meeting with officials is scheduled regarding this update.

Upcoming meetings 18 June – 29 June

Mon 18 June	ZCB Hui, Gisborne
Tues 19 June	Joint Insurance Council Meeting Meeting with Clayton Mitchell Meeting with Vivid Economic
Wed 20 June	Forestry Ministers Meeting GGGI DG Rijsberman's New Zealand Visit (MFAT) Fonterra meeting MfE/MFAT Officials meeting
Thurs 21 June	Second Estimates Prep
Fri 22 June	ZCB event, Auckland ZCB: Auckland Hui
Mon 25 June	MfE Officials meeting MFAT Officials meeting ZCB: Christchurch Hui
Tues 26 June	ZCB: Dunedin Hui
Wed 27 June	Final Estimates Prep
Thur 28 June	ZCB: Federated Farmers Annual Conference The Environment Estimates Select Committee ZCB: Online Town Hall Meeting
Fri 29 June	Speech: Trans-Tasman Business Circle re Climate Change

1. Key decisions for you to make this week

Launch of ZCB economic material on Tuesday 19 June

2. Material for you to be aware of this week

Domestic

2.1. Synthetic greenhouse gas emissions from refrigerated shipping containers

s 6(a)



2.2. The Land and Water Forum

In December 2017, Hon Parker's requested advice from The Land and Water Forum on avenues to avoid further degradation of freshwater environments and on catchment allocation of nutrients and sediment. The Forum was set up in 2009 as an independent advisory body funded by MfE. It represents a range of stakeholders including industry groups, electricity generators, NGOs, iwi, scientists, and other organisations with a stake in freshwater and land management. The Forum has now responded to this request. Their response included minor components related to the One Billion Trees programme and how the NZ ETS works for small-scale forests, as part of wider recommendations around erosion management. MfE is currently preparing advice for Hon Parker on the recommendations put forward by the Forum.

International

2.3 Climate change statement from G7 meeting

G7 leaders held their annual summit, 8-9 June, in Quebec, Canada. In the Communique from the meeting, G7 leaders found common ground in noting the mutual benefit of a healthy planet and sustainable economic growth, action to strengthen collective energy security, recognition that each country may chart its own path to achieving a low-emissions future, and looking forward to adopting a common set of guidelines at COP24 (without reference to the Paris Agreement).

s 6(a)

The "G6" reaffirmed their strong commitment to implementing the Paris Agreement and reaching a global carbon neutral economy over the course of the second half of the century, ensuring a just transition, and increasing efforts to mobilise climate finance. The "G6" also discussed the importance of carbon pricing, technology collaboration and innovation to continue advancing economic growth and protecting the environment.

A separate paragraph reiterated the US' commitment to advancing sustainable economic growth and strengthen collective energy security, in a manner that improves the health of the world's environment;

it noted the US' intention to work with other countries to access and use fossil fuels more cleanly and efficiently, as well as deploy renewable and other clean energy sources. Other aspects of the communique included "investing in growth that works for everyone" and "preparing for jobs of the future".

2 Upcoming briefings

Papers for your 22 June bag

Issue or event	Lead	Further information
Ministerial satisfaction survey 2017-18	MfE	Each year we ask Ministers to complete a satisfaction survey. The results of all Ministers are published in our Annual Report. The survey is Cabinet-mandated and most policy agencies are required to seek Ministers' feedback through it.
Federated Farmers Annual Conference on Thursday 28 June	MfE	Talking points for your speech for the event. Federated Farmers has requested your speech cover the theme 'Farming with Confidence'.
Permanent Forest Sink Initiative: Improving options for landowners under the NZ ETS	MPI & MfE	Advice ahead of NZ ETS consultation on the role of permanent forests, current issues with the Permanent Forest Sink Initiative (PFSI) and why the PFSI should be integrated with the NZ ETS, and areas where further consultation is needed.
New Accounting Design Details for Forestry in the ETS	MPI & MfE	Advice ahead of NZ ETS consultation outlining technical design questions and recommendations for decisions on how to introduce averaging to the NZ ETS, if a decision is made to do so.

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Papers for your 29 June bag

Issue or event	Lead	Further information
Proposals for operational improvements for forestry in the Emissions Trading Scheme (ETS)	MPI & MfE	Advice ahead of NZ ETS consultation on potential improvements to operational to forestry aspects of the NZ ETS.

3 Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
NZ ETS: Report back from consultation on proposed NZ ETS regulation updates for 2018	ENV	This paper summarises consultation feedback and seeks approval to issue drafting instructions	Lodge 28 June ENV 3 July Cabinet 9 July
NZ ETS Review Implementation – Release of Discussion Document	ENV	Seeks in-principle decisions and approval for the release of a discussion document [first draft to you 28 June]	Lodge 26 July ENV 31 July Cabinet 6 August
NZ ETS: Report back from consultation on proposed NZ ETS forestry regulation updates for 2018	ENV	This paper summarises consultation feedback and seeks approval to issue drafting instructions	Lodge 26 July ENV 31 July Cabinet 6 August

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4 OIA requests

4.2 Ministerial*

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office	Date due to send
STATS Memo – Measurement framework Cabinet paper Memo – Update on data ventures Weekly report – Weekly report for the period ending 27 April CLIMATE CHANGE 4 April – NZ trade policy – The way ahead in turbulent times 6 April – Background: Strategic defence policy review – climate change aspects	s 9(2)(a)	Newsroom	18-O-00828	MfE	Thu, 24 May	Tue, 21 June
All reports, memorandums, papers, documents, advice, correspondence, notes, emails, and other official information, written, reviewed or considered by Minister Shaw or his office since 1 January 2018, in relation to the economic cost of emissions reduction targets.	s 9(2)(a)	National Party	18-O-00946	MfE	Thu, 5 July	Thu, 12 July
New Zealand Emissions Trading Scheme: Approval to Consult on Technical Regulation Changes for 2018. (8/5/18) New Zealand Emissions Trading Scheme: Approval to Consult on Technical Regulation Changes for 2018 Cabinet Environment, Energy and Climate Committee. (16/5/18)	s 9(2)(a)	National Party	18-O-01210	MfE	Thu, 28 June	Thu, 5 Jul

4.3 Ministry for the Environment OIAs

Request	Correspondent	Organisation	Reference	Date due to send
I request a copy of all briefings, reports and communications since 26 October 2017 between the Ministry for the Environment and the office of the Minister for Climate Change Issues on the Zero Carbon Bill.	s 9(2)(a)	National Party	18-D-00850	Thu, 21 Jun
All reports and draft reports prepared or received on the economic impact of emissions reduction targets.	s 9(2)(a)	National Party	18-D-00889	Tue, 10 Jul
"1. Is Mfe using the U.N. definition for climate change in their policy decisions? 2. Given Methane for NZ agriculture is now stable (or very close to it), what research is mfe doing currently to work to understand the atmospheric CH4 volume associated with NZ agriculture? 3. Does mfe have a figure for atmospheric CH4 volume associated with NZ agriculture? This point is important because NZ agriculture needs to know what their atmospheric CH4 volume/concentration or there is no way of knowing if it's still changing – as per UN definition of climate change.	s 9(2)(a)	Cranston Consulting Ltd	18-D-01167	Tue, 26 Jun

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[COMMERCIAL IN-CONFIDENCE]

MfWeekly update - Minister for Climate Change

Finalised on 22 June for the week commencing 25 June

No meeting with officials is scheduled regarding this update.

Upcoming meetings 25 June – 6 July

Mon 25 June	ZCB: Christchurch Hui
Tues 26 June	ZCB: Dunedin Hui
Wed 27 June	Meeting with Regional Council CEs re Natural Resource Sector Final Estimates Prep EPA visit - ETS register Meeting with National Caucus re Zero Carbon Act Climate Change Health with Minister Genter UK Minister of State for Energy and Clean Growth (phone call)
Thur 28 June	Red team estimates prep session The Environment Committee Estimates Hearing ZCB: Federated Farmers Annual Conference ZCB: Online Town Hall Meeting
Fri 29 June	Speech: Trans-Tasman Business Circle re Climate Change
Mon 2 July	PEPANZ MfE Officials meeting
Tues 3 July	MFAT Officials meeting Energy and Climate Committee (NZ ETS regulations update)
Wed 4 July	ZCB: Wellington Hui
Thurs 5 July	Three Waters Ministerial Meeting ZCB: Youth engagement event Launch E-Charger with Foodstuffs, Levin ZCB: Palmerston North Hui
Fri 6 July	BusinessNZ: Workshop/Lunch with EITE CEOs ZCB: health sector hui (tbc)

1. Key decisions for you to make this week

Lodge NZ ETS regulations updates Cabinet paper

2. Material for you to be aware of this week

Domestic

2.1. Zero Carbon Bill Meetings and Submissions

As at 9am Thursday 21st we have received 1,194 submissions. Approximately three quarters of the submissions are based on templates prepared by Generation Zero and WWF NZ.

We have reached a lot of people online, mainly through Facebook. We've reached 344,442 people in June, with 8.53K comments, 2.49K shares and 41K reactions. The 'Our Climate, Your Say' webpage has received 10,293 page views, and the discussion document 3,229 page views.

We have held five public meetings so far.

Whangarei, 8 June: Around 110 people attended. The crowd was largely supportive and questions mainly covered the longevity of the Commission and the importance of bipartisan support; whether or not methane should be included, and the impact on low income families.

New Plymouth, 11 June: About 75 people attended. Lots of residents and about half a dozen businesses in the audience. There was a positive tone from the crowd and key questions included, whether there could be a blend between target options B and C, why the consultation was necessary when a target of 'net zero' could just be set; and, what the options are for sequestration.

Hamilton, 14 June: About 70 people attended, a mix of farmers, business, innovators and general public. First crowd that included people who denied the science of climate change. Other questions included, what have we spent on climate change already, efficient farming practices and food production, ensuring impartiality of the Commission, storing carbon in soils, education and power of local councils to take action.

Gisborne, 18 June: Around 55 attended, mix of local leaders, residents and farmers. Questions around methane, can we make a difference as a small emitter, and potential for trees already in the ground to be counted. Regional difference – theme, people aren't keen on having more forestry in Gisborne. They feel that will impact on community on the East Coast. "We don't want to have to pay for Auckland's emissions by planting trees."

Hawke's Bay, 19 June: Around 65 people attended, a mix of farmers and general public. Key themes were around how we are consulting with iwi; the innovation already happening in the agricultural sector and how this will take us to a net emissions 2050; our international competitiveness; soil carbon; education and whether methane is stabilised at today's level or below.

We held our first technical workshop in Wellington on 20 June with 60 attendees, which was a very constructive conversation with key stakeholders. Key themes were how can we use international units to meet budgets and how the Commission can be politically neutral. Other events completed so far have included about six Dairy NZ workshops, a presentation at the Federated Farmers board meeting, a presentation at the Wellington Youth Council and at Field Days.

Coming up next: we continue to attend Dairy NZ workshops, host several youth events and university union events, host 10 more public meetings and ten more workshops as well as one online public meeting in collaboration with Stuff.co.nz.

Stuff and the New Zealand Herald covered the economic modelling announcement on Tuesday. Both items were balanced, however the Stuff article's headline did take an overly negative slant. We're anticipating more in-depth coverage in weekend media.

2.2. NZ ETS Review – Update

Next week we will brief you on our proposals regarding market governance and international units. We are also working on the first draft of a Cabinet paper and discussion document. These will be at your office on 29th June. We are working with your office to identify dates to meet with your Ministerial colleagues to discuss the proposals for consultation over the coming weeks.

Next steps:

- Market governance and international units discussion TBC
- First draft of Cabinet paper and discussion document to you for comment Friday 29th June.
- Provide feedback on Cabinet paper and discussion document Thursday 4th July
- Final version of NZ ETS Review Cabinet paper and discussion document due to you Friday 13th July
- Lodgement 26th July

2.3. Discussion paper released on taking an integrated systems approach to land use change

The Policy Observatory at Auckland University of Technology has released a discussion paper titled 'The Interwoven World Te Ao i Whiria – Towards an integrated landscape approach in Aotearoa New Zealand'. The report, authored by Dr David Hall, argues that the current approach to rural land use isn't integrated enough, and that New Zealand is taking a 'siloe'd' approach. He argues this siloe'd approach will lead to suboptimal outcomes that are not prosperous over the long run, because short-term gains in profit and productivity are offset by mid- to long-term environmental harms that, in turn, create economic burdens.

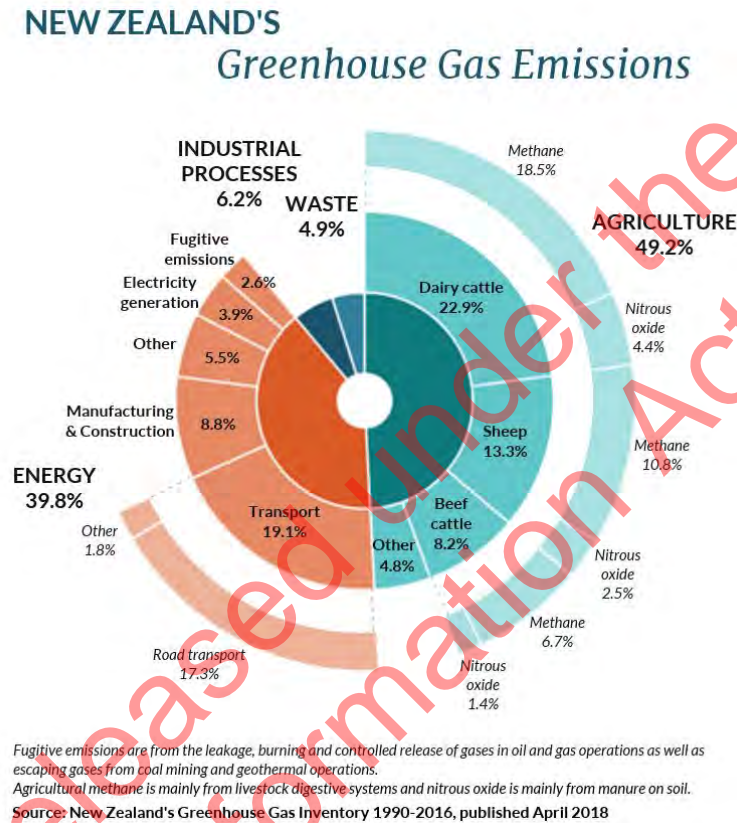
As an alternative to this siloe'd view, Dr Hall advocates an integrated systems approach to land use, built on five principles of prosperity; climate alignment, sustainability, resilience, mauri ora and biodiversity. The report argues that these principles can best be brought together using a 'landscape approach', an emerging framework that integrates policy and practice for multiple land uses within a given area.

Dr Hall is critical of the One Billion Trees Programme. He notes that while providing grants for tree planting might mean that the target number of trees is reached, it is unlikely to be a durable solution because forest planting will retreat if grants are retracted, or if wider circumstances shift. Dr Hall sees the opportunity of the One Billion Trees Programme as less about meeting the target, but about creating the conditions by which this target can be met sustainably. He states that a systems change could deliver forest outcomes without needing to use, say, grants to swim against the tide of prevailing land use choices.

As there has also been a Radio New Zealand interview on this matter, there is a possibility that this will be picked up more widely as a concern with the One Billion Trees Programme. We will monitor any such feedback.

2.4. New emissions graph released shows agriculture emissions by livestock type

Last week the Ministry for the Environment released a new graph on social media showing the sources of New Zealand’s gross greenhouse gas emissions. The graph is based on inventory data released in April, but also breaks down agriculture by livestock type using data obtained separately from the Ministry for Primary Industries’ agriculture inventory model. The graph was released to generate interest for the Zero Carbon Bill consultation and has been shared over 350 times.



International

2.5. Ontario to end cap-and-trade following change of Government

The Ontario provincial election was held on 7 July. The Progressive Conservative party (the PCs), led by Doug Ford secured victory. The PCs campaigned on removing Ontario from the Western Climate Initiative cap-and-trade market (the joint ETS of California, Quebec and, since 2018, Ontario).

Post-election, Premier-designate Ford has stated that following the swearing-in of his government: they will end the trading system; serve notice to sever ETS links with California and Quebec; and that they have already directed officials to immediately take steps to withdraw the province from joint auctions. "As of June 29, the cap-and-trade, the carbon tax, they're done."

s 6(a)

The Canadian Government has reacted strongly, warning Ontario that the current ETS complies with the federal requirement to have a sufficient carbon price and that if this is removed the federal government may impose its “backstop” tax. Ford also intends to challenge the Canadian federal government’s legal basis for doing so. Ford has said he will direct his attorney general to prevent Ottawa from “arbitrarily imposing a carbon tax on Ontario families.” While the smaller province of Saskatchewan is already challenging the federal carbon tax in court, the addition of Ontario, as Canada’s largest province, would be significant.

s 9(2)(j), s 6(a)

2.6. International climate change meetings: Petersberg Dialogue and MoCA

Ministers and senior representatives from around 30 countries attended the 9th Petersberg Climate Dialogue in Berlin from 17-19 June. The theme for the meeting was “just transition”, perhaps spurred by the challenges Germany is facing in meeting its targets, and the fact that, although renewable energy is growing, phasing out coal is proving difficult. Other themes included the Paris Agreement Work Programme, Talanoa Dialogue, and climate finance. The atmosphere was broadly positive, s 6(a)

There were universal calls for the Paris Agreement Work Programme to be concluded with a balanced outcome across all issues, but there was debate about how much should be covered. On the Talanoa Dialogue, there were positive comments and calls for the political phase to focus most on ‘How will we get there?’. s 6(a)

Common themes on just transition included the importance of: inclusive dialogue; long-term planning; skills training and social support for affected sectors/regions; sharing experiences; mainstreaming climate policy; the public sector to drive change (as big component of all economies).

2.8 Funding to support Fiji’s ongoing COP23 Presidency confirmed

New Zealand’s further contribution of s 6(a) to support Fiji’s ongoing COP23 Presidency has been confirmed this week via letter from Minister Peters to Fijian Prime Minister Banimarama. The legal arrangement confirming the additional contribution specifies that part of the funding will be used to acquire a pavilion space at COP24 which would be the venue for the sustainable agriculture event and other events on issues of priority to the Pacific.

At a signing event alongside New Zealand’s High Commissioner, Fiji’s Acting Prime Minister Aiyaz Sayed-Khaiyum welcomed the announcement noting “New Zealand has been a good partner for Fiji”. The announcement of the funding has received widespread positive media coverage in Fiji.

2.9 Release of High Ambition Coalition’s A Declaration for Ambition

New Zealand has now signed the High Ambition Coalition’s *A Declaration for Ambition*, which commits signatories to explore ways to increase ambition following the Talanoa Dialogue (consistent with New Zealand’s stated intentions), notes the importance of securing a robust set of Paris Agreement implementation guidelines at COP24, and communicates support for the United Nations Secretary General’s efforts to galvanise political momentum.

The Republic of the Marshall Islands has already communicated its warm appreciation for New Zealand joining other signatories to the declaration: Fiji, Chile, Ethiopia, Finland, France, Germany, Mexico, Monaco, the Netherlands, Norway, Rwanda, Saint Lucia, Spain, Sweden, and the United Kingdom.

The Declaration was scheduled for release by the 23rd of June.

3. Upcoming briefings

Papers for your 29 June bag

Issue or event	Lead	Further information
1 st draft NZ ETS Cabinet Paper & discussion document	MfE	This paper will seek Cabinet approval to consult on proposed changes to the NZ ETS. We are seeking your feedback on the draft cabinet paper and discussion document.
Ministerial satisfaction survey 2017-18	MfE	Each year we ask Ministers to complete a satisfaction survey. The results of all Ministers are published in our Annual Report. The survey is Cabinet-mandated and most policy agencies are required to seek Ministers' feedback through it.
Proposals for operational improvements for forestry in the NZ ETS	MPI & MfE	Advice ahead of NZ ETS consultation on potential operational improvements to forestry aspects of the NZ ETS.

Papers for your 6 July bag

Issue or event	Lead	Further information
2 nd draft NZ ETS Cabinet Paper & discussion document	MfE	This will be a second draft cabinet paper and discussion document setting out proposed changes to the NZ ETS.

4. Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
NZ ETS: Report back from consultation on proposed NZ ETS regulation updates for 2018	ENV	This paper summarises consultation feedback and seeks approval to issue drafting instructions	Lodge 28 June ENV 3 July Cabinet 9 July
NZ ETS Review Implementation – Release of Discussion Document	ENV	Seeks approval for the release of a discussion document on preferred options for changes to the NZ ETS [first draft to you 28 June]	Lodge 26 July ENV 31 July Cabinet 6 August
NZ ETS: Report back from consultation on proposed NZ ETS forestry regulation updates for 2018	ENV	This paper summarises consultation feedback and seeks approval to issue drafting instructions	Lodge 26 July ENV 31 July Cabinet 6 August
Agreement to ratify the Kigali Amendment to the Montreal	ENV	This paper seeks Cabinet's agreement to ratify the "Kigali	Sent to Minister: 15 June Paper lodged: 26 July

Protocol on Substances that Deplete the Ozone Layer		Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer” on 3 October 2019, subject to parliamentary treaty examination and domestic implementation.	ENV: 31 July Cabinet: 6 August
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5. OIA requests

5.1. Ministerial*

Request	Correspondent	Organisation	Reference	Drafting agency	Due at your office/current status	Date due to send
All reports, memorandums, papers , documents, advice, correspondence, notes, emails, and other official information, written, reviewed or considered by Minister Shaw or his office since 1 January 2018, in relation to the economic cost of emissions reduction targets.	s 9(2)(a)	National Party	18-O-00946	MfE	Thu, 5 July	Thu, 12 July
New Zealand Emissions Trading Scheme: Approval to Consult on Technical Regulation Changes for 2018. (8/5/18) New Zealand Emissions Trading Scheme: Approval to Consult on Technical Regulation Changes for 2018 Cabinet Environment, Energy and Climate Committee. (16/5/18)	s 9(2)(a)	National Party	18-O-01210	MfE	Thu, 28 June	Thu, 5 Jul

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5.2. Ministry for the Environment OIAs

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All reports and draft reports prepared or received on the economic impact of emissions reduction targets.	§ 9(2)(a)	National Party	18-D-00889	Tue, 10 Jul
"1. Is Mfe using the U.N. definition for climate change in their policy decisions? 2. Given Methane for NZ agriculture is now stable (or very close to it), what research is mfe doing currently to work to understand the atmospheric CH4 volume associated with NZ agriculture? 3. Does mfe have a figure for atmospheric CH4 volume associated with NZ agriculture? This point is important because NZ agriculture needs to know what their atmospheric CH4 volume/concentration or there is no way of knowing if it's still changing – as per UN definition of climate change.	§ 9(2)(a)	Cranston Consulting Ltd	18-D-01167	Mon, 9 Jul
<p>1. Can you please clarify if you consider stable methane emissions as contributing to climate change? The UN defines climate change as a GHG that 'changes the atmospheric composition'. If Methane inflow is equal or less than outflow then this definition would not be met.</p> <p>2. Does MfE measure inflow vs outflow methane emissions for NZ?</p> <p>3. Does MfE have any research to suggest NZ agriculture is currently warming the planet once on farm trees are included?</p> <p>Note - GWP100 accounting does not correlate to warming.</p>	§ 9(2)(a)	Cranston Consulting Ltd	18-D-01167	Tue, 26 Jun