

Weekly update - Minister for Climate Change

Finalised on 23 March for the week commencing 26 March

Date: 28 March 2018
Time: 3.30 – 5.30pm
Location: Office of the Minister for Climate Change

Attendees: Hon James Shaw, Minister for Climate Change
 Vicky Robertson, Secretary for the Environment
 Roger Lincoln, Director, Climate Change
 Janine Smith, Manager, Climate Change Policy
 Paul Alexander, Programme Director Transition Hub

For item 6: Emma Corbett, Acting Manager, Adaptation
 s 9(2)(a) [redacted] Analyst, Adaptation

	Agenda	Lead	Time
1	Introduction - Climate Change Ministers' meetings	Vicky Robertson	10 min
2	Update on context - Update on Budget Bid - Cross-party meeting	Roger Lincoln	15 min
3	Briefing on climate and built/urban policies	Paul Alexander	5 min
4	Zero Carbon Bill: - Climate Change Ministers meeting preparation o Proposed agenda - Draft Objectives of the CC work programme	Janine Smith	20 min
5	Standing item: weekly report	Roger Lincoln	15 min
Discussion topic			
6	Zero Carbon Bill: - Role of adaptation in the Bill policy options	Emma Corbett/ Jo Swinburn	30 min

Actions from the previous meeting

- Officials to monitor risk of stakeholder group ideas impacting on the work programme – **to be monitored.**
- Officials/your Office to consider taking climate change papers to committees other than the Energy, Environment and Climate committee if the Cabinet office timetable is unsuitable – **will be actioned for future papers.**
- Officials to draft a Cabinet paper for you to set overall climate change objectives - **started.**
- Your office to set up regular meetings with climate change Ministers – **see Agenda item 3.**

- Revised Cabinet APH paper to be circulated to your office on 20 March – **done**.
- Officials to consult relevant government agencies regarding changes to Interim Climate Change Committee role before Cabinet ENV meeting on 20 March – **done**.
- Officials to check the status of advice on the surplus of units – **in progress**.

Upcoming meetings 26 March – 6 April

- 26 March** Catch-up with Malcom John's CEO Christchurch International Airport
Speech to open the IPCC meeting "Special Report on Climate Change and Land Issues"
- 27 March** NZ Carbon Farming (Jill Garing), with Minister Sage
Joint meeting with insurance companies
- 28 March** Methanex
MfE Officials meeting
Todd Muller
- 29 March** Meeting with Minister O'Connor
MFAT Officials meeting
Forest and Bird (panel discussion): Climate 2050: Discussing Wellington's Future
- 3 April** MfE Officials
- 4 April** Climate Change and the Built Environment Ministers' meeting
Zero Carbon Bill (Interim Committee) paper at APH
Minister Faafoi – climate change and financial markets
Landcorp – with Minister Sage
Meeting with Ambassador of the US
- 5 April** MFAT Officials meeting
Ambassador of the Republic of Korea
Thomas Pryor (Sherson Willis) and Mike Petersen (Origin Green)
- 6 April** Visit to AgResearch

1. Key decisions for you to make this week

- Budget decisions**
- Cabinet signoff on ENV paper Monday 26 March**
- Signoff APH paper (for lodgement by 10am Wednesday 28 March)**
- Signoff COP 24 International Mandate paper for Ministerial consultation**

2. Material for you to be aware of this week

Domestic

2.1. Auckland Council Partnership on Climate Change

Auckland Council is revising its Low Carbon Action Plan which sets out action to reduce Auckland's emissions. As New Zealand's largest city, contributing approximately 20 per cent of national emissions, the review of the plan presents an opportunity to align Auckland's work with the Government's broader climate change work programme and support national scale ambition around climate action.

We are progressing a partnership between the council's Chief Sustainability Office and the Transition Hub, acting as a conduit for cross-government work on climate change. The partnership will focus on central government engagement on Auckland's revised Low Carbon Climate Action plan and input from Auckland Council on the Government's climate work programme e.g. feedback on the Zero Carbon Bill. The work will also include sharing information and thinking as appropriate on areas of mutual interest including data/modelling, climate finance and adaptation to climate change.

There is a risk in information-sharing outside of central government but we are comfortable this risk can be managed by careful consideration of what information is sent to Council officers. We will keep you updated of progress with the Council's climate plan and any impact or opportunities with the Government's climate change work programme.

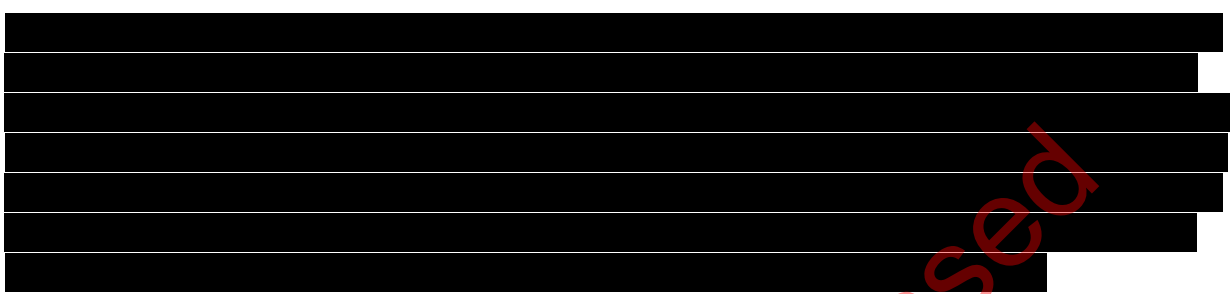
2.2. Climate Change Forestry Reference Group met on Tuesday 20 March

On 20 March 2018 the Climate Change Forestry Reference Group (CCFRG), which is made up of forestry sector experts, had a full day meeting with officials from MPI and MfE. Attendees discussed options to encourage afforestation and assist NZ in meeting its international climate change commitments. The forestry sector experts provided useful feedback to officials on the potential to introduce "averaging" accounting for forestry into the NZ Emissions Trading Scheme (ETS). The CCFRG will next meet with officials in May 2018 to discuss options for permanent forests (including natives), key operational improvements to the NZ ETS rules, how forestry fits into the Government's wider climate change program, and test further analysis progress on the averaging accounting approach.

International

2.3. Petersberg Dialogue and Ministerial on Climate Action (MoCA)


Two informal Ministerial meetings on climate change are scheduled to take place back-to-back in the week of 18 June. The Petersberg Dialogue will be hosted in Berlin (18-19 June), with the MoCA then taking place in Brussels on 21-22 June. The meetings are invitation-only, and limited to around 30 participant countries. These meetings are the most significant in the year in terms of raising political awareness of critical negotiating blockages and informally brokering solutions. ^{s 6(a)}



Proceed/Do not proceed

2.4. New US Secretary of State

You will be aware President Trump recently dismissed Rex Tillerson as Secretary of State, and replaced him with Mike Pompeo. Media commentary has focused on the new Secretary's very hard line on climate change; ^{s 6(a)}



2.5. US Sub-National Efforts on Climate Change

MFAT's Posts in Los Angeles and Washington DC report that, despite President Trump's signalled withdrawal from the Paris Agreement, there are broader forces propelling the United States towards a lower carbon future, including simple economic drivers (with solar power becoming increasingly competitive) and structural developments allowing cities and states to advance more innovative climate policies. This presents opportunities for NZ to cooperate with pro-climate action states with similar emissions profiles, and to learn from US expertise in fields such as reducing transport emissions and precision agriculture.

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2.6. Global Climate Action Summit

The Global Climate Action Summit will be held in San Francisco in September, and we are aware of your interest in attending. At this stage, high-level attendees will likely include: California Governor Jerry Brown, UNFCCC Executive Director Patricia Espinosa and UN Secretary General's Special Envoy for Cities and Climate Change Michael Bloomberg. MFAT's Los Angeles Post reports the Summit will focus on five 'headline challenges': jobs, energy, buildings, investment and land. The Summit could present an opportunity to engage with other pro-climate action States, s 9(2)(j)

MFAT officials are keeping a watching brief on the plans for the Summit, s 9(2)(g)(i), s 9(2)(f)(iv)

2.7. New Zealand membership of the Electric Vehicles Initiative (EVI)

The International Energy Agency (IEA) has followed up with the Energy Efficiency and Conservation Authority (EECA) regarding New Zealand joining the Electric Vehicles Initiative (EVI) as a full member. The next Clean Energy Ministerial meeting (CEM9) on 23 May will mark one year of observer status for NZ, and the IEA's position is that extending our observer status would be unfair to the member countries contributing annual fees (EUR 22,500). The IEA has asked for advice on NZ's membership before CEM9. EECA has advised that the proposal recommending EVI membership is currently with the Minister for Transport, but at this stage no decision has been taken.

3. Upcoming briefings

Papers for your 29 March bag

Issue or event	Lead	Further information
Carbon Budget paper	MfE	Background paper for deep dive discussion with officials
Climate Change Commission	MfE	Paper on Climate Change Commission for deep dive discussion with officials.
Climate and urban paper	MfE/MBIE/MoT	Briefing jointly developed by MBIE, MOT and MfE setting out opportunities to align the climate and urban work programmes. Follows briefing 2017-B-04060 and meeting held between Ministers in December 2017 To be sent to portfolios: Housing and Urban Development & Transport, Climate Change, Energy and Resources, Transport.
Membership of Interim Climate Change Committee	MfE	Final Cabinet APH paper for lodgement by 10am Wednesday 28 March, including supporting information for the discussion at the APH meeting on 4 April.
Climate Change Ministers' meeting	MfE	Agenda and supporting materials for meeting with Climate Change Ministers.
New Zealand Emissions Trading Scheme: implications to pre-1990 forest land owners utilising 'forest offset planting' provisions	MPI/MfE	Briefing jointly developed by MPI and MfE to you and Hon Jones. It outlines a known issue with the operation of pre-1990 forest offset planting under the NZ ETS, which is being addressed as part of the CCRA changes. This paper requests that you direct officials to develop options that will mitigate risks for current pre-1990 forest offsetting applicants in the interim.
Meeting note for meeting with US Ambassador	MFAT	Briefing to provide you with background and key points to support your meeting with the US Ambassador Scott Brown.
Meeting note for meeting with Republic of Korea Ambassador	MFAT	Briefing to provide you with background and key points to support your meeting with the Republic of Korea Ambassador HE Mr Seung-bae Yeo.

Papers for your 6 April bag

Issue or event	Lead	Further information
2050 Target paper	MfE	Paper for deep dive discussion with officials.
Draft Cabinet DEV paper, <i>Agreeing the overarching objectives for climate change policy</i>	MfE	Draft Cabinet paper and talking points for consultation with ministers over 9-20 April, ahead of the Cabinet Economic Development Committee (DEV) meeting on Wednesday 2 May.

4. Cabinet material being prepared for you

Paper name	Committee	What this paper covers	Our suggested timeframes
Terms of reference for Interim Climate Change Committee and Climate Change Public Sector Chief Executive's Board	ENV	Seeks Cabinet agreement on the terms of reference for the Interim Climate Change Committee, and reports back on the public sector climate change board of Chief Executives, and the timing and sequencing of key government decisions on priority climate change matters.	Cabinet 26 March 2018

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Membership of Interim Climate Change Committee	APH	Confirms membership for the Interim Climate Change Committee.	Lodge with Cabinet Office by 10am Wednesday 28 March 2018 (following Cabinet agreement to ENV paper) APH 4 April 2018 Cabinet 9 April 2018
Agreeing the overarching objectives for climate change policy	DEV	Seeks Cabinet agreement on the overarching objectives for climate change policy and provides an overview of the key upcoming government decisions on priority climate change matters in 2018/19.	Lodge with Cabinet Office by 10am Thursday 26 April 2018 DEV 2 May 2018 Cabinet 7 May 2018

5. Cabinet material we have been consulted on

Paper name	Agency	Committee	Our feelings on the paper
Research and Development Tax Incentive Discussion Document	MBIE	DEV	<ul style="list-style-type: none"> - This paper seeks agreement from the Cabinet Economic Development Committee to approve the publication of the Research and Development (R&D) tax incentive discussion document (R&D Incentive – Fuelling Innovation to Transform Our Economy) for the purpose of consultation. - The discussion document seeks input on the introduction of a research and development tax incentive, in the form of a tax credit to support transformation of the New Zealand Economy. - As a key lever to support the necessary innovation to drive a lower emission economy, we are supportive of introducing a tax incentive for research and development. - However, under the current design, the eligibility for tax credits are not strongly linked to activities that support sustainability outcomes. - We suggest that the tax incentive better target activities that support Government's objectives around economic transformation – including net zero emissions.
National direction under the Resource Management Act: Priorities for 2018-19	MfE	DEV or ENV	<ul style="list-style-type: none"> - This paper provides information on the Government's current national direction programme under the Resource Management Act. It covers existing national direction instruments and identifies new priority work areas. - A number of priority work areas identified are of relevance to the climate change portfolio, for instance, urban development and resilience in land-use planning. - We support this paper as publication of a forward agenda provides greater transparency to both councils (for their forward planning), and has been an effective means for engaging with stakeholders.

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<p>International Maritime Organization: Climate Change Negotiation Mandate</p>	<p>MoT</p>	<p>DEV</p>	<ul style="list-style-type: none"> - The paper covers the need to negotiate a Strategy to reduce shipping emissions (i.e. adopting guiding principles and possible short-, medium- and long-term measures). - This Strategy, if adopted in April, will not impose costs on NZ or international shipping. - We do not have any particular concerns with the paper. - The regulations underpinning the Strategy might have costs, and there could be domestic policy implications (including potential legislative changes) which officials will need to consider. - These regulations will be negotiated after the negotiations on the Strategy wrap up. - NZ will have to become a Party to MARPOL Annex VI to be at the table for those regulations negotiations. MoT is preparing another Cabinet Paper to seek agreement to consult on Annex VI accession in NZ. We are yet to be consulted on this Cabinet Paper.
<p>International climate change negotiations: New Zealand's approach to COP24</p>	<p>MFAT</p>	<p>ENV</p>	<ul style="list-style-type: none"> - This paper is led by MFAT and we have provided input to a number of iterations of the draft. - The paper focuses on UNFCCC negotiations in the lead up to COP24 in Poland, and is largely technical in its nature. - Our input has been mainly focused on the areas of the UNFCCC negotiations that are of key interest to us, including in particular negotiations for the new transparency framework and carbon markets. - The paper also signals to Cabinet that officials are preparing a separate paper seeking Cabinet approval on overarching objectives for New Zealand's climate change policy.

Proactively Prepared

6. OIA requests

6.1. Ministerial

Request	Correspondent	Reference	Due at your office/current status	Date due to send
Could the Minister please provide all reports, briefings, memos, and aide memoires that your office have received or produced relating to 'climate refugees'?	██████████ National Party	18-O-00488	On 16 March MfE provided your office with advice to transfer this OIA to the Minister for Immigration. Your office reviewed this advice and provided further guidance on 20 March asking MFAT to draft a response on your behalf. On 21 March MfE confirmed with MFAT that we hold nothing substantive for release in this OIA.	Wednesday, 11 April
<ol style="list-style-type: none">1. A copy of each document (Cabinet paper and/or A3) you provided to Cabinet regarding progress.2. A copy of each document held in your office setting out the milestones for the 100-day plan, particularly the policies you are responsible for.3. A copy of each document held in your office tracking progress and/or milestones.	██████████ National Party	18-O-00361	Due to your office on Tuesday, 3 April.	Monday, 10 April

Proactively Released

6.2. Departmental

Request	Correspondent	Reference	Date due to send
<p>'The Climate Change BIM released today noted (p. 9) that "To support you in making these decisions, a cross-agency unit has been established following a \$1m per year allocation in Budget 2017, to develop coordinated advice on costed and tested options for meeting the 2030 target and how New Zealand transitions to a low emissions economy. "</p> <p>I would like to request the following information under the OIA:</p> <p>* A list of advice produced by the unit in above in the last year. For each piece of advice, I'd like its title, date, and who it was provided to.'</p>	<p>██████████ No Right Turn</p>	<p>18-D-00481</p>	<p>Friday, 6 April</p>
<p>The document titled "Climate Directorate: Planning meeting with Minister for Climate Change, Hon James Shaw, 2 November 2017".</p>	<p>██████████ National party</p>	<p>18-D-00497</p>	<p>Thursday, 12 April</p>
<p>Can you please provide me with details of the transfer of the 260,000 Emission Units that were awarded in 2004 and awarded before or after for the KA24 well, for Onepu Geothermal Energy. We want to know when they were on-sold and who to. I'm a trustee on the Ahu Whenua Trust associated with this and have full authorisation to make this request.</p>	<p>██████████ Ahu Whenua Trust</p>	<p>18-D-00500</p>	<p>Friday, 13 April</p>