

Reference number:
CBC Min (06) 20/24

Cover note

On Monday 27 November 2006, the Cabinet Business Committee (CBC) having been authorised by Cabinet with power to act [CAB Min (06) 44/14], considered the paper Climate Change Policy: Release of Discussion Paper on “Measures to Reduce Greenhouse Gas Emissions in New Zealand Post-2012”.

The paper (Ref: [POL \(06\) 352](#)) and the associated Cabinet minute (Ref: CBC Min 06 17/6) are included. It is important to note that some of the timeframes for completion of work specified in this document are now out of date. More up-to-date information can be found as it becomes available at www.climatechange.govt.nz.

On 27 November 2006, the Cabinet Business Committee, having been authorised by Cabinet to have Power to Act [CAB Min (06) 44/14]:

Background

1 **noted** that in October 2006 Cabinet:

1.1 agreed to the use of a discussion paper as a basis for stakeholder consultation on policy options to reduce New Zealand’s greenhouse gas emissions post 2012;

1.2 agreed that the primary objective of the discussion paper is to develop a consensus for the long-term direction of policies to reduce New Zealand’s greenhouse gas emissions and that meaningful engagement with stakeholders is an essential part of this process;

[CAB Min (06) 17/16];

2 **noted** that the work programme on alternatives to the carbon tax has evolved to focus on longer-term policy measures that could be used to introduce a price for greenhouse gas emissions across the New Zealand economy post-2012, and implications for transitional measures

3 **noted** that other measures under consideration also include non-price measures, such as emission reduction agreements and the use of directive regulations;

Discussion paper

4 **agreed** to the public release of the discussion paper entitled ‘*Measures to Reduce Greenhouse Gas Emissions in New Zealand Post-2012*’, attached to POL (06) 352, for the next stage of consultation with stakeholders on these measures;

5 **authorised** the Minister Responsible for Climate Change Issues to approve the final version of the discussion paper for the next stage of consultation;

6 **noted** that the Minister Responsible for Climate Change Issues will publicly release the submission under POL (06) 352 with appropriate withholdings;

Further work and reports

7 **noted** that the work programme on alternatives to the carbon tax contains strong linkages to the New Zealand Energy Strategy and the replacement National Energy Efficiency and Conservation Strategy as well as the climate change work programmes on transport, agriculture, and land-use change and forestry, and that stakeholder consultation should be co-ordinated to the extent practicable across these work programmes;

8 **noted** that the outcome of stakeholder engagement on the discussion paper will be reported to the Cabinet Policy Committee (POL) and will support the development of government climate change policy on post-2012 measures to reduce emissions, transport, agriculture, and land-use change and forestry, as well as the New Zealand Energy Strategy and the replacement National Energy Efficiency and Conservation Strategy.

9 **agreed** to defer the report to POL on the work programme on alternatives to the carbon tax from February 2007 to April 2007 to enable more effective integration of consultation activity across work programmes;

10 **noted** that POL will have the option to decide at the time of the report whether or not to proceed further with a price-based measure for the longer term and which other measures outlined in the discussion paper should or should not be progressed further;

11 **noted** that depending on POL decisions at the time of the report, a further stage of formal consultation under the work programme on alternatives to the carbon tax will be undertaken in mid 2007, focusing in more detail on the narrowed set of options;

12 **noted** that the Minister Responsible for Climate Change Issues indicated that consultation is not required with the government caucuses or other parties represented in Parliament.

Adrian MacGregor Secretary

Reference: POL (06) 352