



Cabinet Environment, Energy and Climate Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Climate Implications of Policy Assessment Framework: Report Back

Portfolio Climate Change

On 25 June 2020, the Cabinet Environment, Energy and Climate Committee:

- 1 **noted** the importance of monitoring and disclosing the impact on greenhouse gas emissions of policy proposals and decisions;
- 2 **noted** that the Climate Implications Policy Assessment (CIPA) has been operative since 1 November 2019;
- 3 **noted** that the current emissions threshold above which the CIPA requirement applies (250,000 tonnes CO₂-e per annum) is too high to capture likely future proposals that will have a significant impact on emissions;
- 4 **agreed** that the emissions threshold for the CIPA requirement be amended to:
 - 4.1 the impact on greenhouse gas emissions is likely to be equal to or above 0.5 million tonnes CO₂-e within the first ten years of the proposal period; or
 - 4.2 for forestry related proposals, the impact on greenhouse gas emissions is likely to be equal to or above three million tonnes of CO₂-e within the first 30 years of the proposal period;
- 5 **agreed** that the Cabinet Office circular on the CIPA requirements [CO (19) 8] be updated to reflect the new threshold;
- 6 **noted** that agencies will be expected to apply the new threshold once the Cabinet Office circular on the CIPA requirements has been updated, and the Ministry for the Environment will support them to do this;
- 7 **noted** that under certain exceptional circumstances, the CIPA requirement will not apply, and that the Minister for Climate Change will consider any proposals that seek an exemption of the CIPA requirement due to exceptional circumstances and will grant these on a case by case basis;
- 8 **noted** that Ministry for the Environment officials will continue to provide quantitative analysis support under the established CIPA technical support function;
- 9 **noted** that the disclosure of indirect impacts will continue as a voluntary option;

- 10 **noted** that work is underway to develop an approach to associate a dollar value with emissions and emission reductions over time, which could be incorporated into CIPA disclosures to provide additional information to decision makers, and that the Minister for Climate Change will report back to Cabinet on this work in due course;
- 11 **noted** that:
- 11.1 work is underway to develop a tool or methods to consider the effects of climate change in investment and policy decisions and in regulatory system reviews;
- 11.2 the Minister for Climate Change will seek Cabinet decisions on these proposals in November 2020.

Vivien Meek
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Kelvin Davis
Hon David Parker (Chair)
Hon Stuart Nash
Hon Nanaia Mahuta
Hon Damien O'Connor
Hon James Shaw
Hon Eugenie Sage

Officials present from:

Officials Committee for ENV