



Cabinet

CAB Min (09) 28/10

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Minute of Decision

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Amendments for a Moderated Emissions Trading Scheme

Portfolio: Climate Change Issues

On 10 August 2009, following reference from the Cabinet Economic Growth and Infrastructure Committee, Cabinet:

- 1 **deferred** consideration of the submission under CAB (09) 445;
- 2
 - 2.1 **agreed** that Parliamentary Counsel Office (PCO) should commence drafting a Bill to give effect to the proposed modifications to the New Zealand Emissions Trading Scheme (NZ ETS), before Cabinet has taken final decisions;
 - 2.2 **invited** the Minister for Climate Change Issues to issue drafting instructions to PCO for the Bill;
- 3 **invited** the Minister for Climate Change Issues to have further discussions with support parties on the proposed modifications to the NZ ETS;
- 4 **invited** the Minister for Climate Change Issues, in consultation with other Ministers as appropriate, to submit a revised paper to Cabinet which includes:
 - 4.1 the option of the agriculture sector entering the NZ ETS on 1 January 2015, including advice on the financial implications and options to offset the costs;
 - 4.2 allowing the export of forestry-related New Zealand units converted to assigned amount units, subject to further advice on the issue of arbitrage, the costs to the Crown, and the implications for compatibility with the Australian Carbon Pollution Reduction Scheme.

Secretary of the Cabinet

Reference: CAB (09) 445; EGI Min (09) 16/7

Distribution: (see over)

