

Update from the Interim Climate Change Committee



Presented to:

- *Electrical Engineers' Association, Auckland, 25 June*
- *Institute of Public Works Engineering, Wellington, 27 June*
- *Climate Change and Local Government Forum, Christchurch, 28 June.*



**Interim
Climate
Change
Committee**

Agenda

- What's the context?
 - What has the ICCC been doing?
 - What comes next?
-

Interim Climate Change Committee

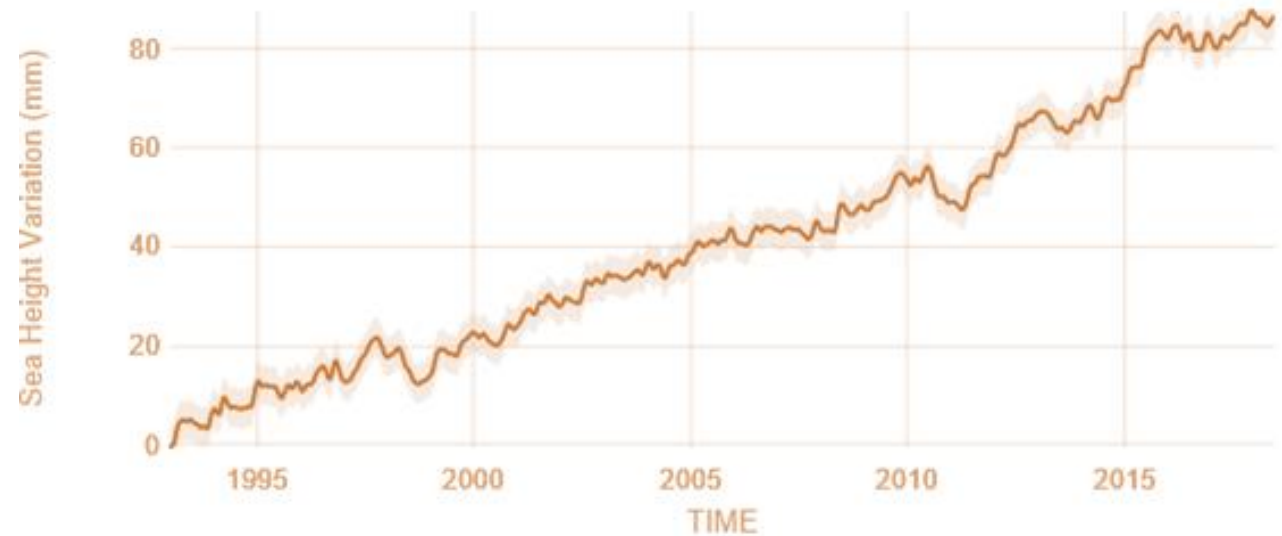
- David Prentice - Chair
- Lisa Tumahai - Deputy Chair
- Jan Wright
- Keith Turner
- Harry Clark

Ministerial Advisory Committee to provide independent advice and analysis in advance of the Climate Change Commission



What is the problem?

- The Intergovernmental Panel on Climate Change (IPCC) warns global warming to 2°C will significantly worsen the risk of sea level rise, drought, floods, extreme heat and poverty for hundreds of millions of people.
- Without additional efforts to reduce emissions, the IPCC's worst case scenario sees warming up to 4.8°C over pre-industrial times by 2100¹; significantly above the 2°C threshold set by the Paris Agreement.



Source: climate.nasa.gov

The stark reality

- Limiting warming to 1.5°C will mean, “*rapid, far-reaching, unprecedented changes in all aspects of society.*” (IPCC)¹
- It will require large-scale change – meeting our Paris Agreement commitments will require fundamental changes to our energy system, how we manage land, and how we use transportation.
- The effects of climate change will impact on all parts of society, and require a collaborative effort from across every community

¹GLOBAL WARMING OF 1.5 °C, INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE

²VULNERABLE: THE QUANTUM OF LOCAL GOVERNMENT INFRASTRUCTURE EXPOSED TO SEA LEVEL RISE, LGNZ, 2019.

What has the ICCC been doing?

- Our first tasks were to report evidence, analysis and recommendations on two particular topics: *Agriculture* and *Electricity*
- We approached both of these with a focus on reducing emissions...
- ...while considering how reducing emissions might impact on society, the economy, the environment, iwi/Māori and future generations
- We provided these two reports to Minister in April – release date yet to be confirmed

Insights on Agriculture

- We heard from the farming sector a strong preference for managing emissions at farm level
- It is also clear that farmers will need support to understand their emissions and what they can do about them
- Pricing is a cost-effective tool for reducing emissions from agriculture, as it is for other sectors. But agriculture's characteristics need to be taken into account in policy design.
- Any policy package should be able to fit with whatever target and level of free allocation is set by Government.



Insights on Electricity

- We developed models to understand how we might transition toward 100% renewables
- We heard a wide range of expectations around the future of electricity generation, but a clear message that the priority should be to reduce emissions.
- We looked closely at how electricity emissions can be reduced, and at how electricity can be used to reduce emissions elsewhere, such as in transport and process heat.



What next? The Zero Carbon Bill

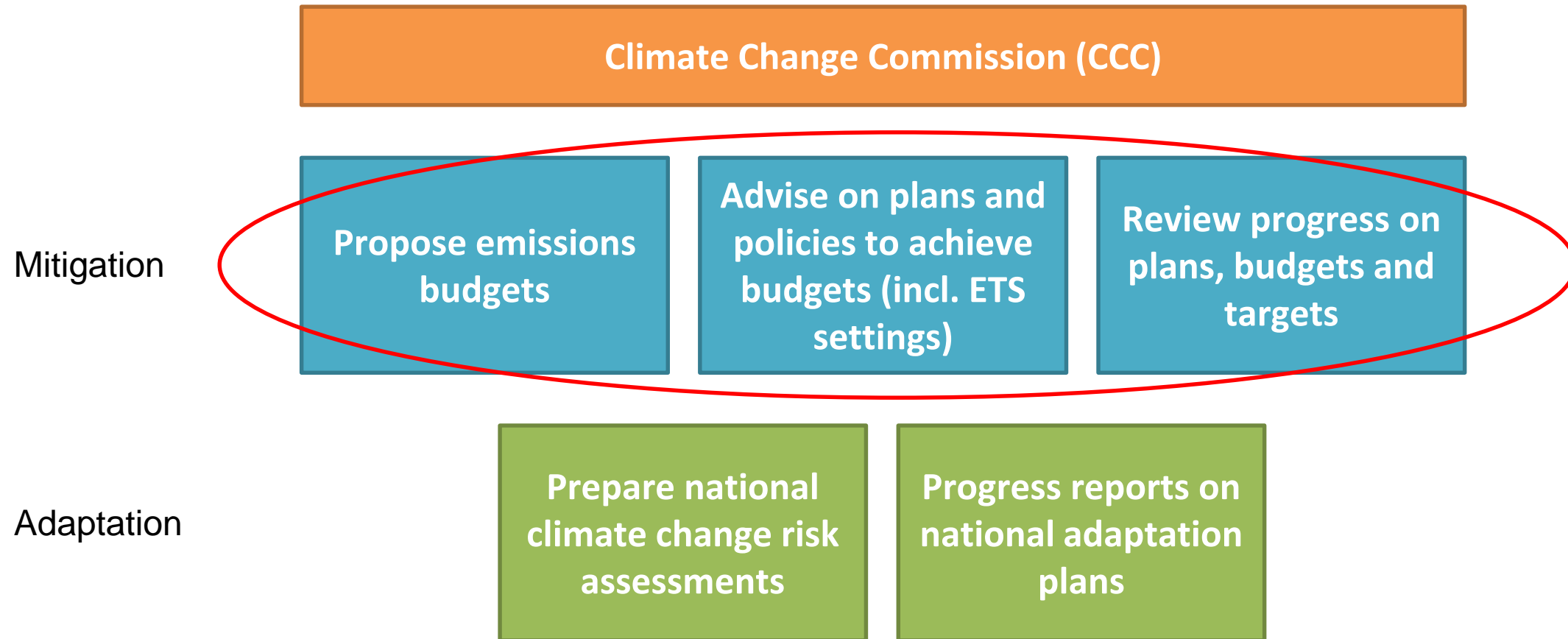


- Submissions to Select Committee due 16 July
- The Bill proposes to establish:
 - long-term emissions reduction targets for 2050
 - a requirement for emissions budgets as milestones towards targets, and for plans for achieving them
 - a framework for enhanced action on adaptation
 - an independent Climate Change Commission to give expert advice and keep the Government accountable
- Expected to be enacted by the end of the year

Climate Change Response (Zero Carbon) Amendment Bill:
Summary

[New Zealand Government](#)

Climate Commission – proposed functions



These tasks inter-relate, so each task would inform the others

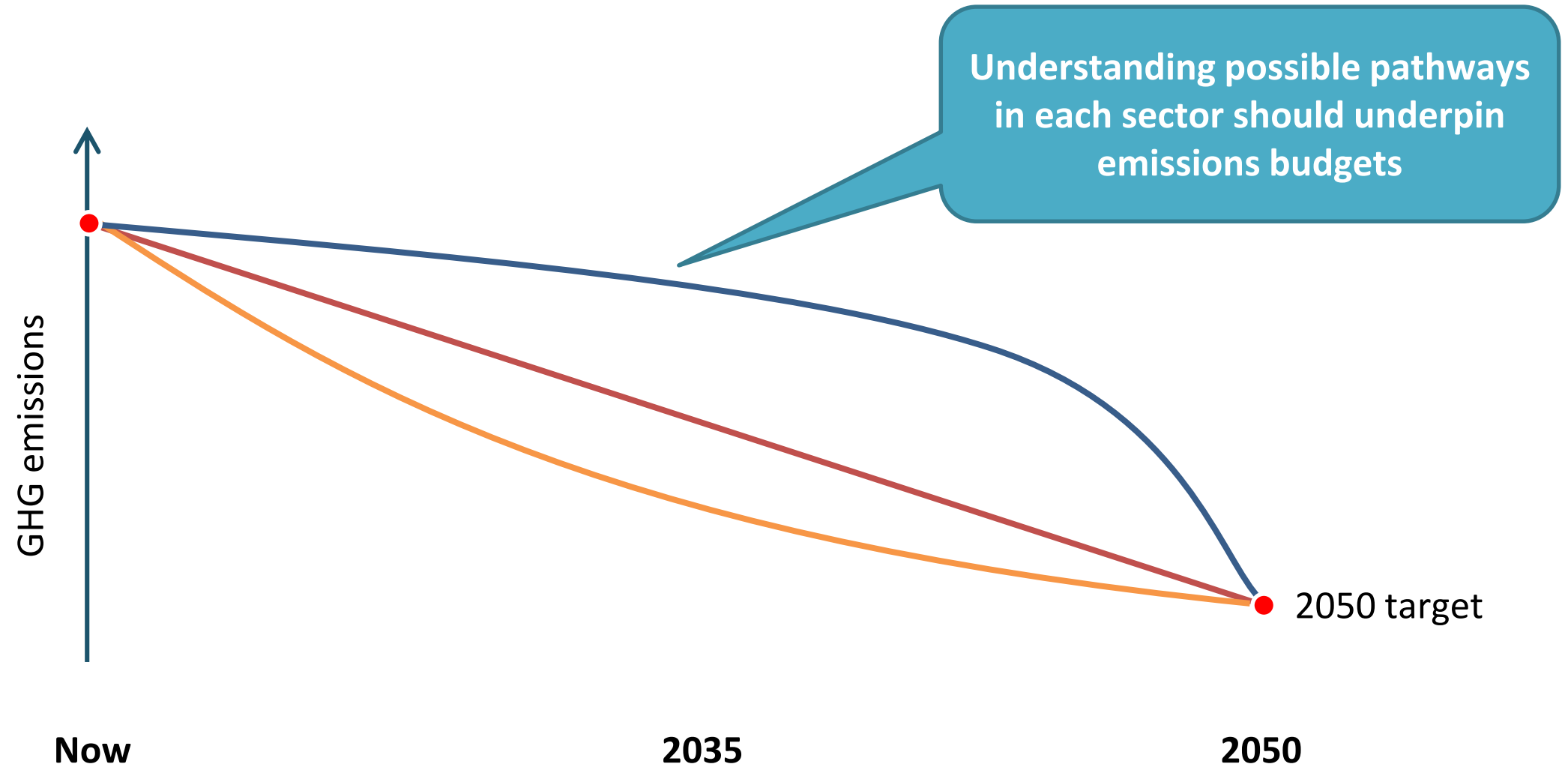
How do the parts fit together?

Targets set in the Zero Carbon Bill
clarify the overall direction



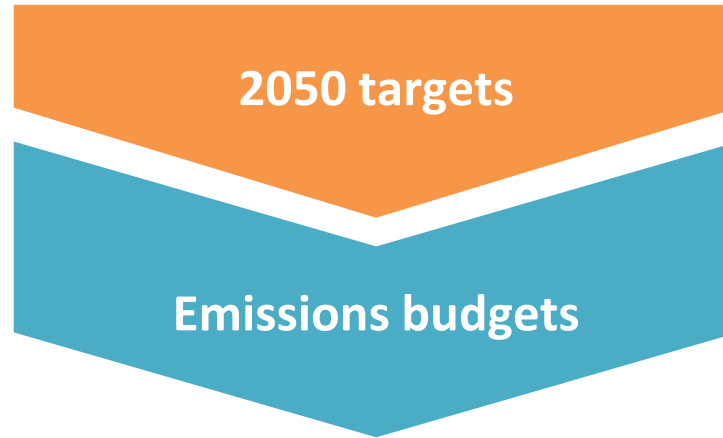
2050 targets

Which possible pathways to achieve targets?



Targets → Budgets

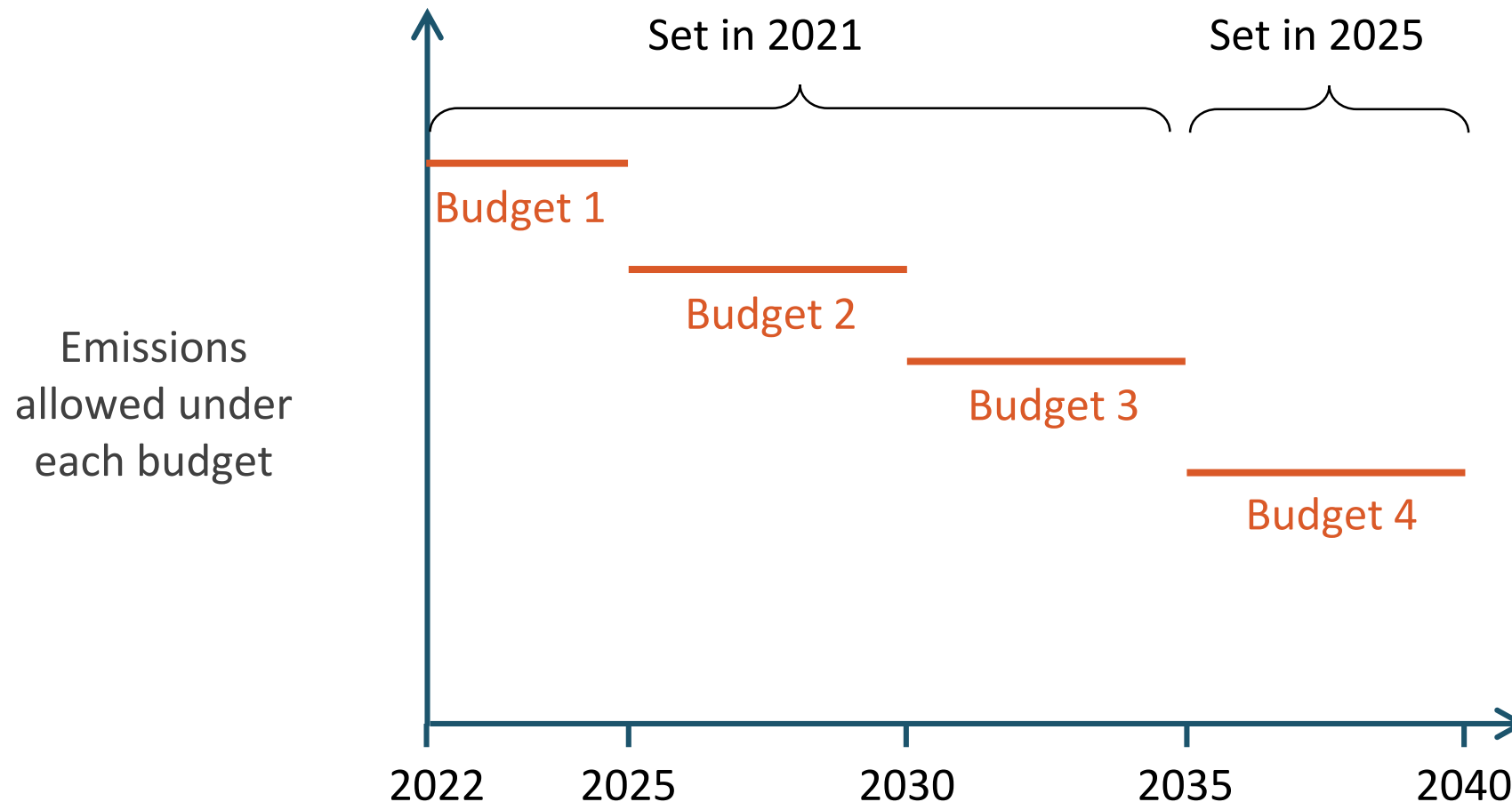
Targets set in the Zero Carbon Bill clarify the overall direction



Budgets are milestones on a pathway, and provide a foundation for stable policies and predictability

Emissions budgets over time

The first major task for the Commission will be to advise on emissions budgets by Feb 2021



Budgets → Plans + ETS

Targets set in the Zero Carbon Bill clarify the overall direction



2050 target

Emissions budgets

Budgets are milestones on a pathway, and provide a foundation for stable policies and predictability



Plans and policies drive actions by people and organisations to reduce emissions



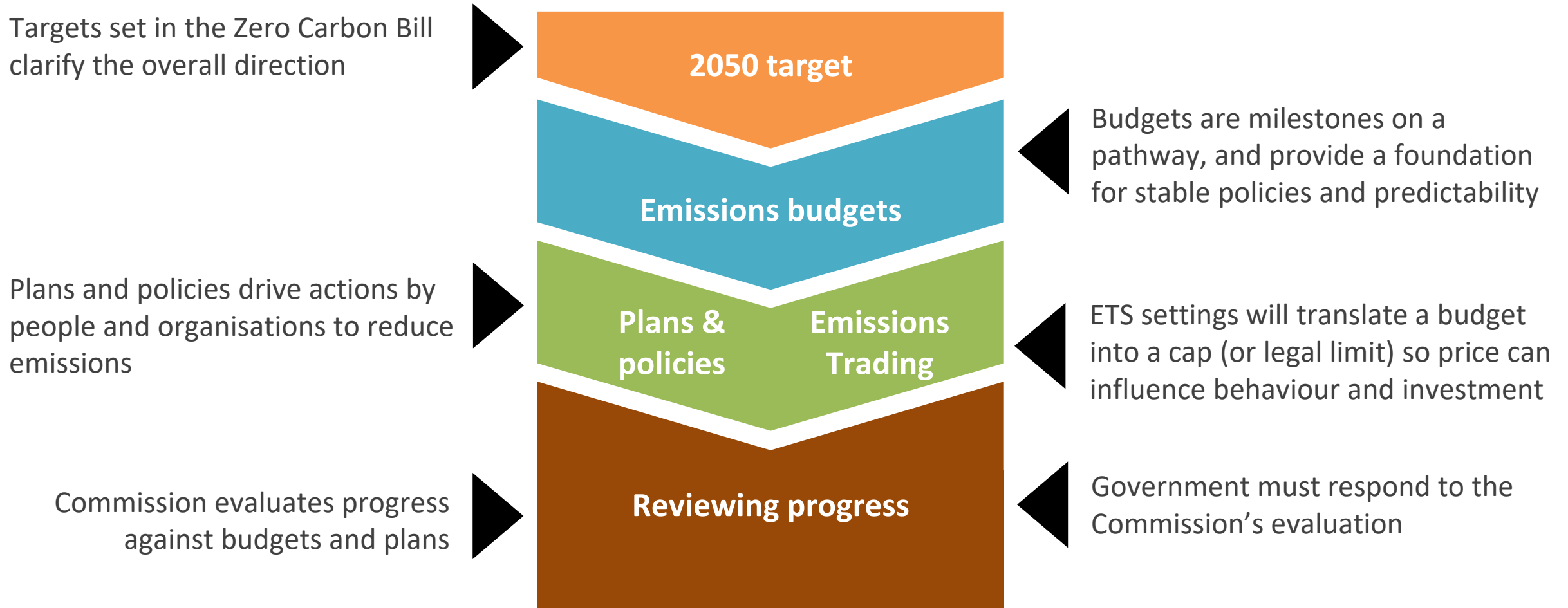
Plans & policies

Emissions Trading

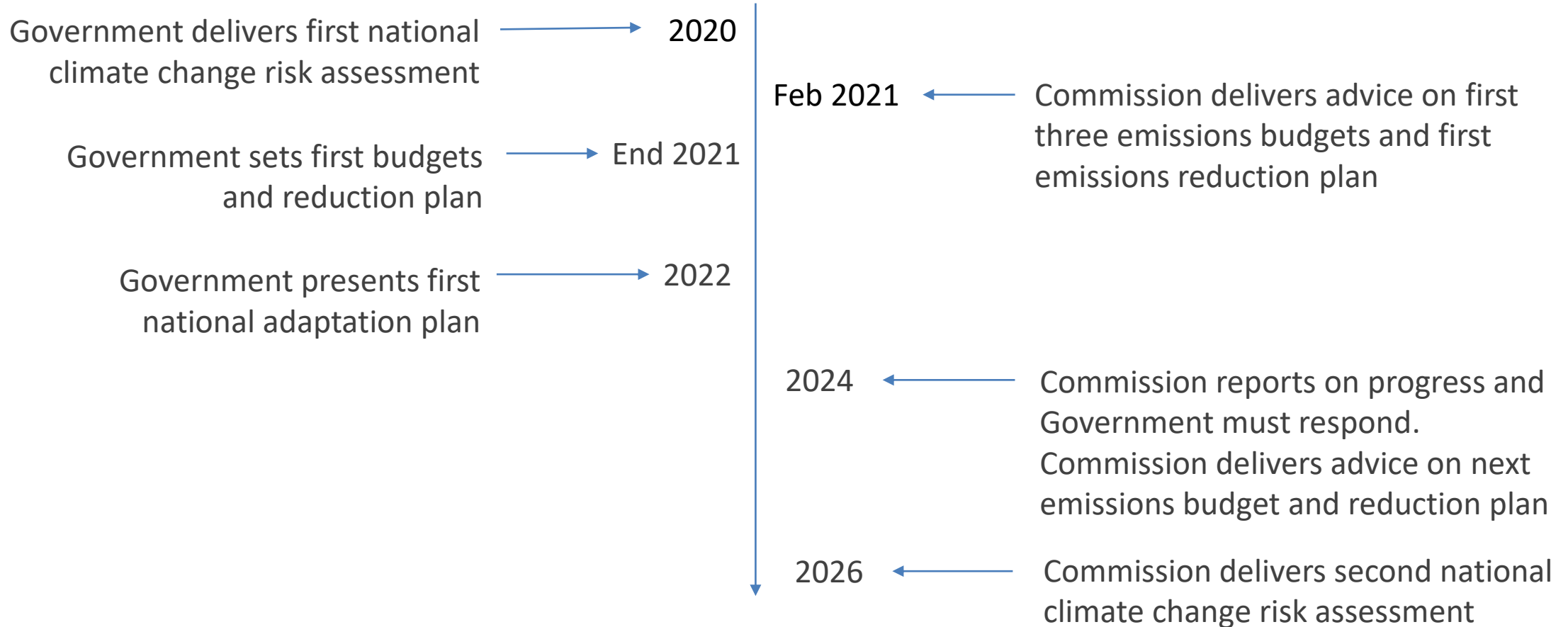
ETS settings will translate a budget into a cap (or legal limit) so price can influence behaviour and investment



Plans + ETS → Check Progress → Revise actions



Some key dates



So what is the ICCC doing now?

- The Commission will present its first advice in Feb 2021, for which they will need a range of tools and a broad evidence base
- To prepare technical foundations, the ICCC is currently:
 - Prototyping a sectoral approach, focusing on the transport sector
 - Assessing data and modelling needs in the land use sector
 - Developing a high-quality, sector-wide model to inform emissions budgets
- Importantly, we are also building foundations for assessing iwi/Māori, community, regional and generational impacts
- We are engaging mainly with umbrella groups at this stage, while we build secretariat capacity and await the appointment of the Commission

In summary

- The effects of climate change will impact on all parts of society, and require a collaborative effort from across every community
- Research, development and innovation will be critical to ensure continued economic prosperity – but we need to get serious about it
- The transition must be responsible and fair - we must keep front-and-centre the principles of Te Tiriti o Waitangi, intergenerational equity, social fairness, manaakitanga, sound environmental stewardship, and kaitiakitanga.
- To succeed, the independent Commission will need your input

Thank you



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