

Interim Climate Change Committee

Level 1, Environment House, 23 Kate Sheppard Place
PO Box 10362, Wellington 6143



30 October 2019

Hon James Shaw
Minister for Climate Change
Parliament Buildings
Wellington

Dear James

We are writing to you in response to the announcement on 24 October 2019, which relates to recommendations we made in our 30 April report: *Action on Agriculture*.

We are pleased that the Government will pursue one of our key recommendations, the implementation of a farm-level emissions pricing scheme for livestock emissions from 2025. We agree that this is the best approach for addressing livestock emissions in the long term and would be a significant step forward.

However, we are concerned that our recommendations to bring both fertiliser and livestock emissions into the Emissions Trading Scheme at processor-level as soon as practicable have not been taken up.

We respect the decision that the Government has made to partner with farming sector leaders to agree on a joint action plan to build the systems and capability needed for emissions pricing at farm-level to begin in 2025.

There is potentially real merit in this approach but it will be crucial that adequate resources are provided and that the agriculture sector is committed to implementing emissions pricing from 2025.

As we noted in our agriculture report *"a voluntary collaborative approach to 2025, even if supported by a formal agreement, creates a substantive risk to the resourcing and timely implementation of the farm-level levy/rebate scheme for livestock emissions."*

We understand that a progress review by the future Climate Change Commission in 2022 is intended to safeguard against the risks that come with a voluntary approach. The review must be designed so that there are clear measures for judging progress. Some of the milestones outlined in the primary sector leaders' proposal *He waka eke noa – Our future in our hands* do not appear to meet this requirement.



We consider that defining robust progress measures is critical to ensure a meaningful review. We suggest that you take this into account when designing the review by the Commission. We have some thoughts on defining milestones to underpin the review in 2022 and we would be happy to share these with you.

The most important thing is that this approach leads to real action on the ground and we look forward to seeing positive progress.

Yours sincerely

A handwritten signature in dark ink, reading "David Prentice". The signature is written in a cursive, slightly slanted style.

Dr David Prentice (Chair)
Lisa Tumahai (Deputy Chair)
Dr Jan Wright - Member
Dr Harry Clark – Member
Dr Keith Turner - Member
Interim Climate Change Committee