



Submissions to the Climate Change Commission

Council workshop

May 2024



Climate Change Commission

- CCC is an independent Crown Entity.
- It was formed alongside work to set NZ's climate targets in 2019. The targets were legislated under the [Climate Change Response \(Zero Carbon\) Amendment Act](#). The Act passed with multi-party support.
- The CCC was created following persistent calls from government (local and central), NGOs, business and other advocates for an independent government organisation focused on climate action.
- Those parties also called for a comprehensive, evidence-based plan for Aotearoa to follow towards our climate goals.





Climate Change Commission's purpose

To guide Aotearoa New Zealand to change in ways that will help address the global problem of climate change.





Climate Change Commission's work

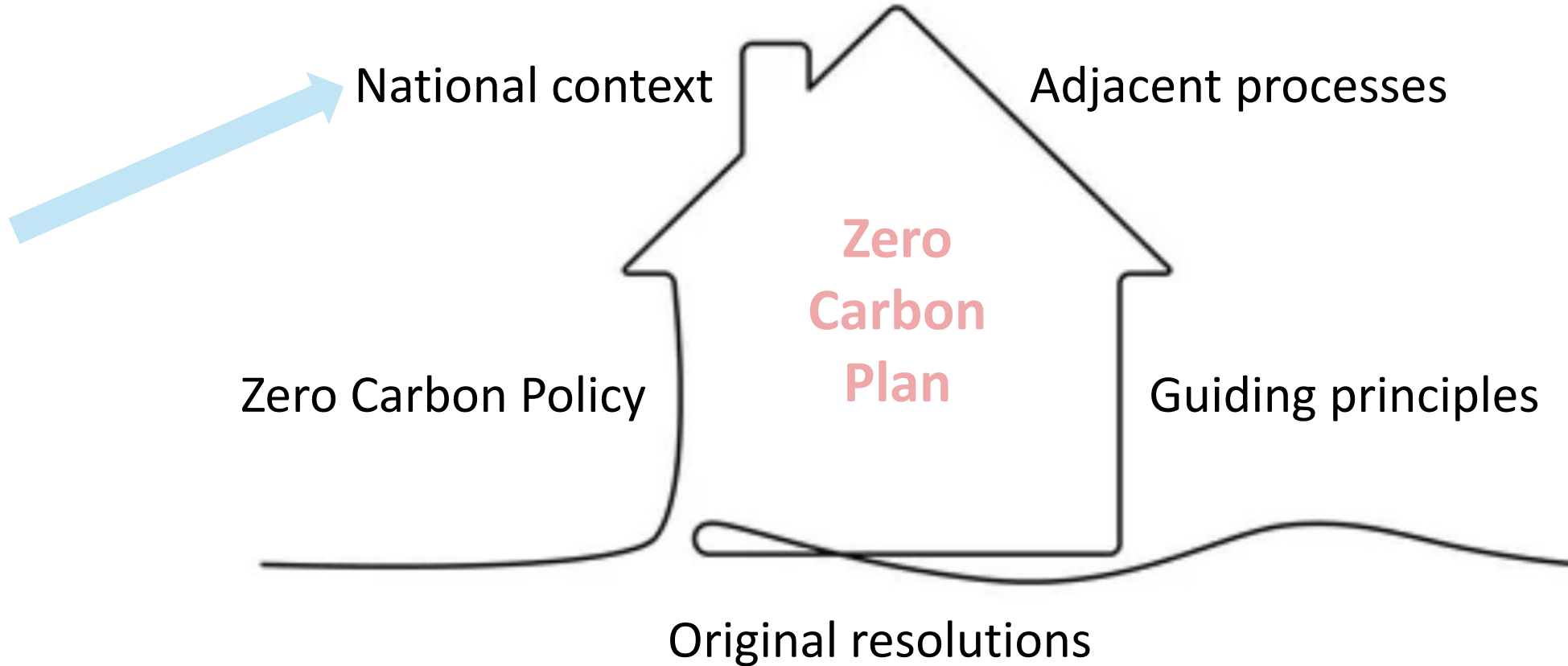
Providing independent, evidence-based advice to government on climate issues

- Advice helps the government make decisions to help transition to a thriving climate-resilient and low-emissions Aotearoa New Zealand
- Advice is based on research and analysis
- Both on emissions and impacts of climate change
- The CCC also monitors and reviews progress





Relevance for the DCC





National context

CLIMATE CHANGE RESPONSE ACT

Target in law **Net zero by 2050**
(excl. biogenic methane)

Mandatory Government **emissions budgets** and **reduction plan** aligned with 1.5°C pathways

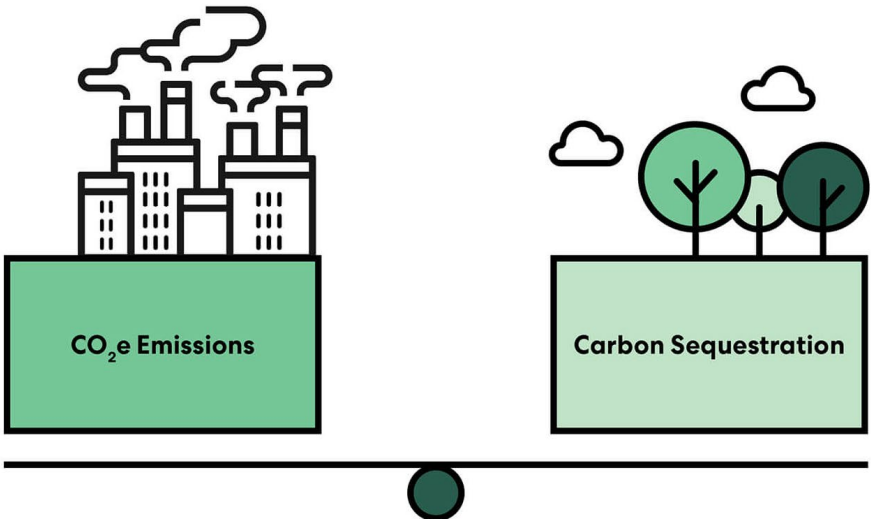
Climate Change Commission to advise on emission budgets

Carbon Neutral
Government
Programme

Changes to the
**Emissions Trading
Scheme**

He Pou a Rangi Climate
Change Commission
advice

Aotearoa's first
**Emissions Reduction
Plan**





Zero Carbon Guiding principles

Uphold the Treaty of
Waitangi

Collaborative
Constructive
Transparent

Consider spheres of
influence

Think long-term

Maximise benefits for
people, planet,
economy

Consider value

Evidence-led

Previous DCC submissions

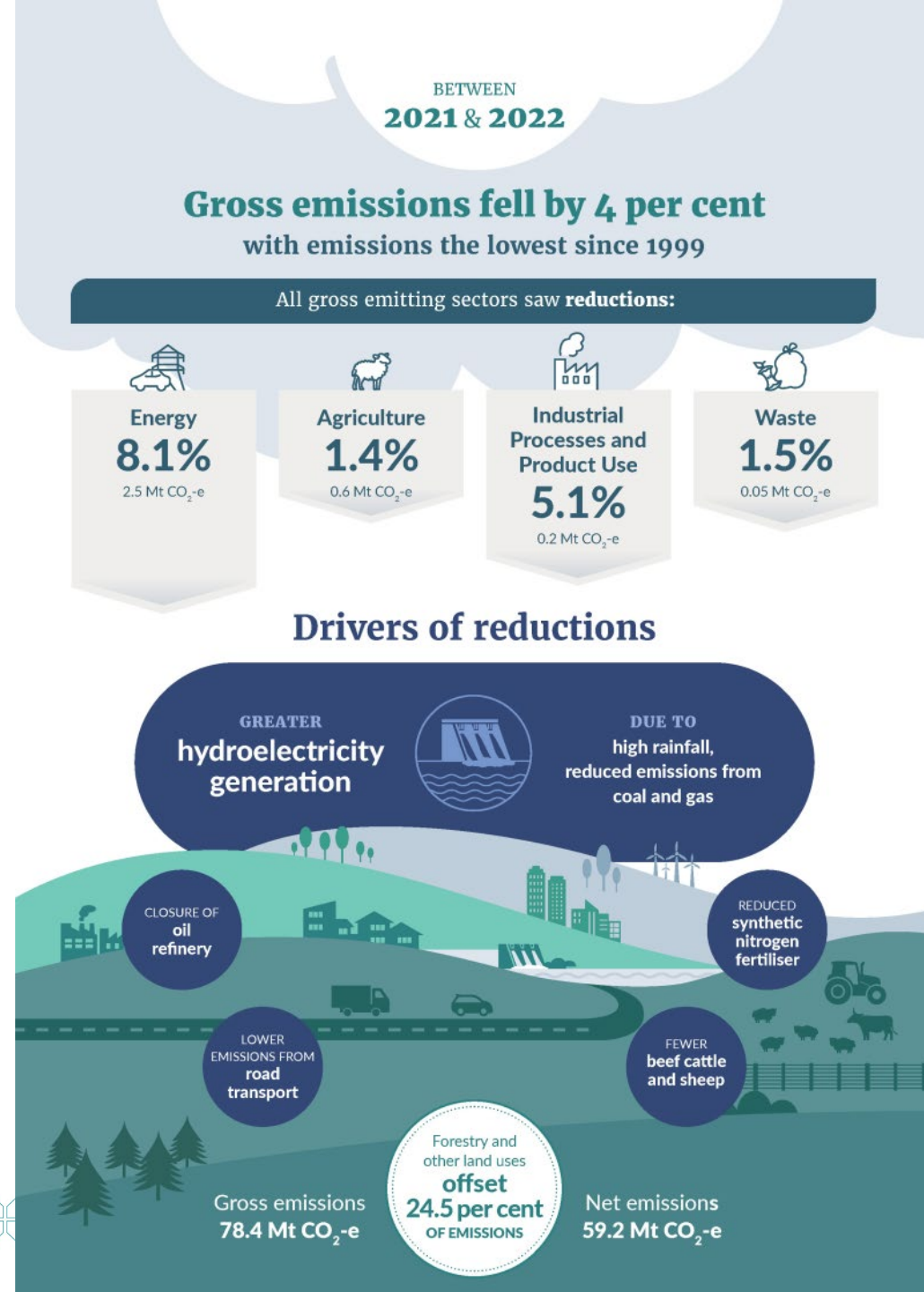
- Urged accelerated action to reduce gross emissions
- Welcomed partnership opportunities with Government to pilot interventions and make faster progress towards local emissions reduction targets
- Consider the limited suite of levers and tools available to local government to achieve emissions reduction – and consider expanding these



National emissions have been reducing

Gross emissions peaked in 2006 and have been declining since 2019

Gross emissions fell 4% between 2021 and 2022





Three separate (but related) consultation topics

- Advice on the fourth emissions budget (2036–2040)
- Review of the 2050 emissions target
- Review on whether emissions from international shipping and aviation should be included in the 2050 target

➤ We have drafted one overarching submission, with a separate section for each consultation area

Emissions budgets set the path for NZ to get to the emission reduction target, so...

REVIEW OF AOTEAROA NEW ZEALAND'S 2050 EMISSIONS REDUCTION TARGET

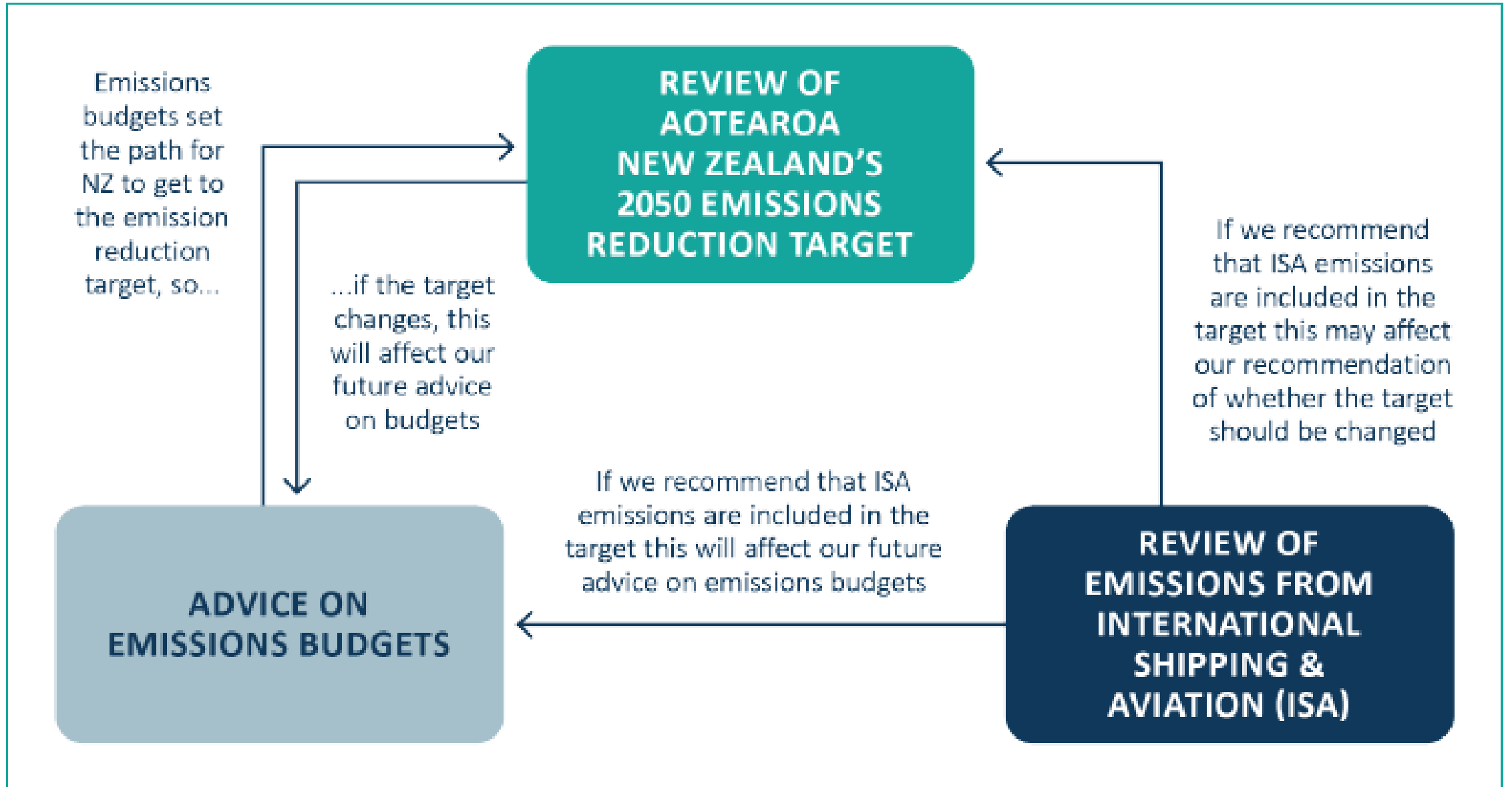
...if the target changes, this will affect our future advice on budgets

ADVICE ON EMISSIONS BUDGETS

If we recommend that ISA emissions are included in the target this will affect our future advice on emissions budgets

REVIEW OF EMISSIONS FROM INTERNATIONAL SHIPPING & AVIATION (ISA)

If we recommend that ISA emissions are included in the target this may affect our recommendation of whether the target should be changed



Climate Change Commission's work

These three pieces of advice fit within Aotearoa New Zealand's wider system for reducing emissions:

PARIS AGREEMENT

Limit average global temperature increases

NDC

Each signatory sets an NDC.

This can be met by:

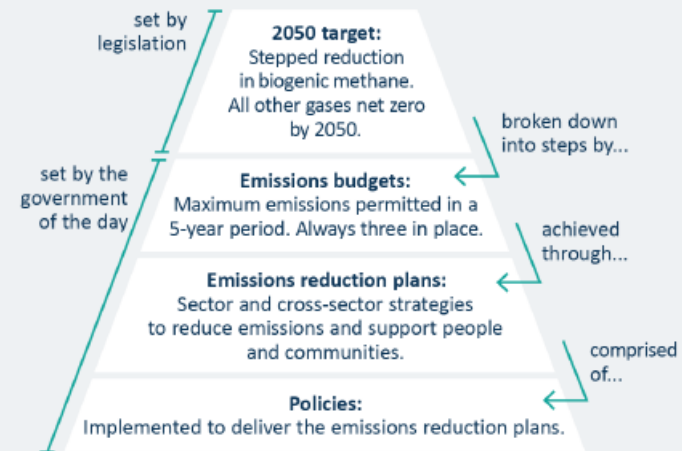
- domestic action
- supporting international action

Climate Change Commission's role: at the request of the Minister of Climate Change, the Commission:

- 2021: Provided advice for the first NDC (period 2021–2030)
- 2024: We have been asked to provide advice for the second NDC (for the period 2031–2035)

DOMESTIC ACTION

AOTEAROA NEW ZEALAND'S SYSTEM FOR REDUCING DOMESTIC EMISSIONS



The Climate Change Commission's work includes:

- Providing the government of the day with independent expert advice on the 2050 target, emissions budgets, and emissions reduction plans
- Monitoring the country's progress at reducing emissions

SUPPORTING INTERNATIONAL ACTION

PAYING FOR EMISSIONS REDUCTION OVERSEAS
eg. funding clean energy projects in other countries



Fourth national emissions budget

- **Emissions budgets** are stepping stones towards Aotearoa New Zealand's 2050 target.
- They set out how much greenhouse gas emissions are allowed in each five-year period.
- Each budget is smaller than the one before so that climate polluting gases decline over time.
- The emissions budgets draft advice is about delivering the current 2050 emission reduction target.
- Every five years, the CCC must review emissions budgets that are already set, and recommend the maximum level of the next emissions budget.





Fourth national emissions budget (2036-2040)

Key points in DCC submission:

- Urges the government to reduce gross emissions as quickly as possible in the years to 2030
- Support limiting use of offshore mitigation to meet the fourth emissions budget, in line with DCC's Zero Carbon Policy that prioritises gross emissions reductions
- Support revising emissions budgets 1, 2 and 3 (covering 2022-2035) to reduce the total allowable emissions over these periods





2050 Target

- The 2050 emissions reduction target was set by Parliament to focus Aotearoa New Zealand's efforts on climate action.
- It provides a consistent signal to government, businesses and communities so they can plan long-term action and investment.
- The CCC is required to review the target every five years against a set of criteria, and provide advice on whether it needs to change to keep the country moving in the right direction



THE 2050 EMISSIONS TARGET REQUIRES AT LEAST:



net
zero

emissions of all
greenhouse gases other
than biogenic methane
by and beyond 2050

10%

reduction below
2017 biogenic
methane emissions
by 2030

24 to
47%

reduction below 2017
biogenic methane
emissions by and
beyond 2050



2050 Target

Key points in DCC submission:

- Submit that reviewing the current emissions reduction targets is in line with the purpose of the Climate Change Response Act
- Urge the government to reduce gross emissions as quickly as possible in the years to 2030





Aviation and marine – inclusion in 2050 target

- International shipping and aviation (ISA) emissions are currently excluded from NZ's 2050 targets
- When Aotearoa New Zealand's targets were set in 2019, this was consistent with the position taken by other nations
- Since 2019, the UK, US and EU have set ISA emissions reduction targets
- Increasingly, businesses in Aotearoa New Zealand are required to report and reduce their scope 3 emissions, which includes ISA
- For Aotearoa New Zealand, these emissions are significant, and increased by 51% from 2009 to 2019
- If ISA emissions are included in targets, this creates a legal requirement for them to be included in national emissions budgets, emissions reduction plans and monitoring





Aviation and marine – inclusion in 2050 target

- Initial CCC analysis shows including ISA emissions in Aotearoa New Zealand's emissions reduction target would be consistent with:
 - The purpose of the Climate Change Response Act
 - Efforts to limit global warming to 1.5°C above pre-industrial levels
 - Supporting actions coordinated by international bodies, the IMO (shipping) and ICAO (aviation)
- ISA emissions are included in the 2030 Zero Carbon Plan targets.
- If these emissions are included in Aotearoa New Zealand's emissions reduction targets, it is likely to provide greater support achievement of Zero Carbon Plan emissions reduction targets for shipping and aviation





Aviation and marine – inclusion in 2050 target: Focus of the review

REVIEW FOCUS: Should Aotearoa New Zealand include international shipping & aviation emissions in the country's 2050 target?

QUESTION 1
The biggest choice:
whether to include

NO or NOT YET

Option to amend the Act to ensure this issue will be reconsidered in the future reviews of the 2050 target

International initiatives continue – see report for possible effects

YES

Government would **AMEND 2050 TARGET** with flow-on changes to emission budgets and emission reduction plans

QUESTION 2
If so, *how?* The related choices

HOW TO COUNT these emissions to cover a 'fair share' that is a robust, achievable target?

WHAT STRUCTURE to use to include these emissions: add them to the net zero component of the target or address them separately?

WHAT LEVEL of reduction of international shipping and aviation emissions would Aotearoa New Zealand aim for?

OTHER IMPACTS
Would Aotearoa New Zealand also account for other impacts on the atmosphere from shipping and aviation?

ISSUES AND IMPACTS TO CONSIDER

- **International:** Responses to climate change by parties to the Paris Agreement or to the United Nations Framework Convention on Climate Change
- **Current scientific knowledge**
- **Existing and anticipated technology**
- **Crown-Māori relationship, te ao Māori and specific effects on iwi/Māori**
- **Likely economic effects**
- **Environmental and ecological circumstances**
- **Social/cultural circumstances:** incl differences between regions
- **Future generations:** The spread of benefits, costs and risks between generations

Source: Commission analysis





Aviation and marine – inclusion in 2050 target

Key points in DCC submission:

- Support including international shipping and aviation (ISA) emissions in NZ's emissions reduction targets
- Submit including these emissions could have co-benefits, such as supporting NZ businesses to reduce their scope 3 emissions
- Acknowledge complexities and barriers involved in reducing ISA emissions, but submit including these emissions in NZ's targets will help solve existing problems.





Next Steps

- The Climate Change Commission will consider the feedback they receive, and use it to re-evaluate their findings as appropriate.
- The Climate Change Commission deliver their three pieces of final advice to the Minister of Climate Change by 31 December 2024
- The Government will then consider the advice, including any recommendations, before making its decisions on each topic by the end of 2025





Questions & feedback

