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Climate Change Contribution Consultation
Ministry for the Environment
PO Box 10362
Wellington 6143

By email: climate.contribution@mfe.govt.nz

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This is a submission on the proposed INDC made on behalf of the Environmental Defence Society (EDS), a professionally based NGO. EDS has previously run the *Australia-New Zealand Climate Change and Business Conference* series, has participated in the original design of the New Zealand ETS and the writer has acted as an environmental adviser to Government at some of the early COPs.

Our primary submission is that there needs to be a collaborative process for deciding on our INDC.

The current process is superficial, inadequate and is simply going through the motions of consultation. It is not possible to set a meaningful target without determining the updated policy settings to get us there.

We fail to see how the current process is going to produce any reliable outcome: it will result in a series of bids consisting of an arbitrary number in each case. We fail also to see how Government can make a proper decision based on that feedback and on the other advice available to it.

EDS contends that instead Government should establish a collaborative advisory group consisting of a cross-section of affected stakeholders including industry, generators, the agricultural sector, and relevant voluntary sector including those representing the community and the environment.

This could be called the Climate Change Collaborative Group (CCCG).

To be effective, the CCCG would need access to advisors available from the science community and should be able to engage economics advice and modelling to test different INDC scenarios against their social and economic impacts. This modelling should factor in costs including the costs of delay as well as the benefits of different policy options. (The consultation document is deficient in this respect, stating only present day costs, ignoring benefits and avoiding discussion on the costs of delay). Some policy initiatives, such as in energy efficiency, pay for themselves.

The costs of abatement are generally accepted as being lower than the costs of adaptation.

The terms of reference for the CCCG should include the provision of carefully considered advice on what New Zealand should offer in its INDC and should also design a pathway towards it with time-bound interim targets and a monitoring method that is credible. It should be tasked with recommending policy responses to assist in meeting the targets including adjustments to the ETS and the development of fresh policy measures.

Short-term measures that should be tested and costed would include:

1. Technology-forcing requirements on agricultural methane that impel the development and implementation of the improvements that are now becoming visible.
2. Fuel efficiency standards for the NZ vehicle fleet.
3. Vehicle air pollution standards to follow Europe's more closely.
4. Serious money and effort for mode shifting in the transport system for the purpose of decarbonizing.
5. Energy efficiency requirements rolled out to NZ houses and commercial space by mandatory standards.
6. Rental housing Warrants of Fitness.
7. Minimum Energy Performance Standards for more goods including industrial equipment.
8. Funding for *ad hoc* but vigorous efforts for energy efficiency in industry.

EDS contends that there is not enough technical information available to determine what a soundly based, achievable and stretch INDC target should be. More work is required to develop both a target and a clear pathway to get there.

At present our policy settings are not robust enough to drive any meaningful change. We overuse international credits, we have a derisory carbon price, our emissions' exceptions mean we are far from "all gases all sectors", we are encouraging dairy expansion with subsidies for irrigation and minimal incentives to retain convertible land in forestry, we are subsidizing energy-intensive emitters and we are yet to establish that our alternative to Kyoto will work.

The world is looking to take action together. Our present policy setting is to follow. If everyone did that the result would be inaction. In short, New Zealand's climate change policy settings are not clever, effective or have moral authority. But simply picking an arbitrary number out of the air for our INDC is not taking us forward. The challenge of +2°C is a serious one and we need a fresh approach that brings stakeholders together to reach common ground on what is achievable and by when.

Yours sincerely



Gary Taylor QSO
Chairman
Environmental Defence Society