



Weekly update - Minister for Climate Change

For the week starting 20 November 2017

Climate change weekly meeting 2pm, Monday 20 November

Date: Monday 20 November 2017
Time: 2pm - 3pm
Location: Office of the Minister for Climate Change

Attendees: Hon James Shaw, Minister for Climate Change
 Vicky Robertson, Secretary for the Environment
 Penny Nelson, Deputy Secretary, Environmental Performance, Innovation & Climate
 Roger Lincoln, Director, Climate Change
 Janine Smith, Manager, Climate Change Policy
 Paul Alexander, Programme Director, Climate Change Policy
 s9(2)(a) Senior Policy Analyst, Climate Change Policy
 Georgina Beasley, Private Secretary, Office of the Minister for Climate Change

Agenda	Lead	Time
Purpose of the meeting is to: <ol style="list-style-type: none"> Update on where we are at in process (see attachment) discuss the revised Cabinet paper on the 100-day plan for climate change discuss the mini budget bid discuss the Air New Zealand Partnership 	Penny Nelson	5 mins
Revised Cabinet Paper on the 100-Day Plan for Climate Change <ul style="list-style-type: none"> Progress on the Ministerial Advisory Committee Discuss CE Board Discuss updated timeframes, including consultations 	Janine Smith Roger Lincoln	20 mins
Mini Budget Bid <ul style="list-style-type: none"> Discuss amount sought and what we will be buying Meeting with Minister of Finance 	Roger Lincoln s9(2)(a)	25 mins
Update on Air New Zealand Partnership <ul style="list-style-type: none"> Meeting with Minister Jones Discuss announcement 	Janine Smith	10 mins

Actions from previous meeting

1. **Coastal hazards guidance meeting with authors** – we will arrange a meeting with authors ahead of Christmas

We are still confirming the date of this meeting. Minister Parker has signalled he would like to attend.

Upcoming meetings

1. Meeting Hon Jones, Minister of Forestry, 4.30pm Monday 20 November
2. Meeting with Christopher Luxon, CEO of Air New Zealand, 12pm, Tuesday 21 November
3. Air NZ Annual Parliamentary Function, Parliament Buildings, 5.30pm Tuesday 21 November
4. Meeting with Hon Robertson, Minister of Finance, 8.30am Tuesday 21 November

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1. Key decisions for you to make this week

1.1. Engaging with your colleagues ahead on Zero Carbon Act Cabinet paper

We consider it will be important to engage with your Ministerial colleagues ahead the taking the Zero Carbon Act paper to CBC in December. As such, we recommend that you consult with other Ministers on the contents of the Cabinet paper before Tuesday 28 November 2017. This enables you to provide final comments on the paper to officials by 4 December 2017, ahead of lodgement with Cabinet Office on 7 December 2017.

We recommended that you consult with the Minister of Finance, the Minister of Forestry, the Minister for the Environment, Minister of Energy and Resources and the Minister of Transport. If you agree, we will work with your office to schedule these meetings.

Do you agree to meet with your colleagues ahead of CBC? **Agree / Disagree**

1.2. Schedule of items for discussion ahead of Christmas

In our first meeting you agreed to series of 'deep dive' discussions with key economic Ministries ahead of Christmas. We have prepared a draft schedule of topics in the table below. If you agree to the topics set out in the draft schedule, we will arrange the meetings with your office and prepare presentation material. This material will be provided the Friday the week prior to the meetings.

Do you agree with the topics below? **Agree / Disagree**

Week starting:	Topic	Purpose of the session
27 November	Targets	To discuss options and key considerations for a establishing a 2050 zero emissions target
4 December	Climate Change Commission	To discuss options and key considerations for establishing a Climate Commission
11 December	NZ ETS	To provide background of the NZ ETS, the recent changes announced as a part of the NZ ETS review and role of the NZ ETS reducing emissions as a part of our 2030 target
18 December	Agriculture	To discuss agriculture's role in meeting New Zealand's 2030 target

1.3. Forestry Unit Emission Trust – approval of new trustee

You will be asked to approve a new Trustee to the Forestry Unit Emission Trust this week. The Forestry Emission Unit Trust manages the allocation of New Zealand Units associated with Crown Forestry Licensed Land (CFL land) provided as a part of Treaty settlements.

CFL land is a significant part of New Zealand's pre-1990 forest estate. The Climate Change Response Act 2002 (the Act) provides for an allocation of 18 NZUs per hectare for eligible CFL land, which will become the property of the eventual landowners following Treaty settlements. Section 73 of the Act requires the Minister for Climate Change to appoint a person to apply for and manage these allocations on behalf of the future owners. The 'person' is the Forestry Emission Unit Trust.

One of the Trustees is now being replaced, which creates a need for you to withdraw the appointment of the Trustee, appoint a new Trustee, and have the change of Trustees notified in the Gazette. You will receive a briefing note in the next week with further information on Forestry Emission Unit Trust and attachments for your signature.

2. Material for you to be aware of this week

2.1. Climate Change Adaptation Technical Working Group - update

In November 2016 the Minister for Climate Change Issues established the Climate Change Adaptation Technical Working Group (the Group) to advise the Government on the options New Zealand has to build resilience to the effects of climate change. Judy Lawrence, Senior Research Fellow, Climate Change Research Institute, Victoria University of Wellington and Penny Nelson are Group's co-chairs. Current Group members include: Frances Sullivan, Principal Policy Advisor, Local Government New Zealand; Kirk Hope Chief Executive, BusinessNZ; James Hughes Associate Director – Climate and Resilience, AECOM; Bryce Davies, Senior Manager Government and Stakeholder Relations, Insurance Australia Group; Bruce Wills, Horticulture NZ Board, Motu Trustee and previous President of Federated Farmers; Sam Dean, Chief Scientist for the Climate and Atmosphere Centre, NIWA; Whaimutu Dewes, Lead Advisor to the Climate Change Iwi Leaders Group, and; Gavin Palmer, Director Engineering, Hazards and Science, Otago Regional Council. Last week you received a Briefing Note requesting a change in membership of the Group for Tina Porou to replace Whaimutu Dewes. The Ministry for the Environment provides Secretariat support for the Group.

The Group delivered their first, Interim Report, to the Previous Minister of Climate Change in May 2017. The interim report included a summary of the expected impacts of climate change on New Zealand over the medium and long term and a stocktake of existing work on adaptation. You will receive a final draft report, which aims to identify the options for how New Zealand can build resilience to the effects of climate change while growing the economy sustainably, by the end of November 2017 along with our advice on the actions it proposes. We have also factored some of the proposed actions into budget bids we are currently preparing.

The Group have requested a meeting with you in early December to discuss the report and proposed next steps. We recommend that you meet with the Group to confirm further action as the Groups' terms of reference also require them to produce a final report by March 2018.

2.2. Fonterra net zero emissions for operations by 2050 announcement

Fonterra announced their emission reduction targets and roadmap partnership with the Ministry for the Environment on 14 November 2017. The announcements have been well received with a number of media outlets focusing on Fonterra's ambition and net zero target. Criticisms have noted that the targets are a good first step but Fonterra must take immediate action to reduce their biological emissions and dairy herd. The Coal Action Network criticised Fonterra for not transitioning off coal sooner and continuing to burn coal.

The Bioenergy Association, however, says Fonterra's announcement sends a signal to industry that times are changing. Brian Cox, Executive Officer of the Bioenergy Association has praised Fonterra's intention to transition away from coal which he believes will provide positive stimulus for the wood fuel supply sector to meet fuel demand. Abbie Reynolds, Executive Director of the Sustainable Business Council, noted it was important not to

underestimate the significance of this step by Fonterra and that its actions displayed strong leadership which would be welcomed by many New Zealand businesses. Fonterra have been criticised by businesses in the past for not showing enough leadership in the climate change space but this announcement has been applauded by a number in the business community.

The Ministry is progressing action on the two actions it is responsible for under the Roadmap through existing work streams – a desktop report on the social good benefits of electrifying process heat and exploring new sources of capital and alternative financing models. The Ministry for Business, Energy and Innovation is currently reviewing the barriers for the uptake of renewable energy for process heat users under the Process Heat in New Zealand (PHINZ) plan.

2.3. Invitation for Prime Minister to attend French climate change summit

The Prime Minister has been invited to attend the “One Planet” summit in Paris on 12 December. The summit, co-organised by the United Nations and the World Bank and hosted by French President Macron, aims to strengthen the global political commitment for implementation of the Paris Agreement and push for progress towards a low-carbon economy. Leaders would be expected to participate in a high-level dialogue and join consensus on a leaders’ statement, the text of which is not yet available. Officials will be submitting advice for the Prime Minister this week on attendance.

The summit is to be preceded on 11 December by a Climate Finance Day at which finance leaders will discuss the transition to a low carbon economy. The New Zealand Superannuation Fund has been invited to participate in a roundtable on the risks and opportunities presented by climate change, and has been asked to help develop a communiqué on integrating climate targets into investment decisions.

3. Upcoming briefings Mon 20 November – Fri 1 December 2017

Issue or event	Lead agency	Further information
Cabinet paper on the 100-day Plan for Climate Change	MfE	This briefing attaches the revised draft Cabinet paper on the 100 Day Plan for Climate Change (following your comments of 14 November) and explains the key changes to the paper, including assumptions behind target costs and updated timeframes.
Meeting with Hon Minister Jones, Minister for Forestry, on 20 November 2017	MfE	We will provide you with talking points ahead of this meeting.
Meeting with Christopher Luxon, CEO Air New Zealand on 21 November 2017	MfE/MPI	We will provide a meeting brief ahead of this meeting. The Air New Zealand’s Annual Parliamentary Function is taking place at 5pm on the same day.
Meeting with the Minister of Finance	MfE	We will provide a briefing with advice on the funding sought for the 100 Day Plan for Climate Change, including a mini budget provided to Treasury and key messages for your discussion with the Minister of Finance.
Appointment of Bronwyn Koroheke as a new Trustee of the Forestry Emission Unit Trust	MfE	This briefing seeks your agreement to sign an appointment letter to the new trustee of the Forestry Emission Unit Trust, an acknowledgment letter to the outgoing trustee, and issue a Gazette notice announcing the change of trustee.

Issue or event	Lead agency	Further information
Climate Change Commission and Ministerial Advisory Committee membership	MfE	This briefing provides recommendations on membership for the Climate Change Commission and Ministerial Advisory Committee on agriculture.
Changes to membership within the Climate Change Adaptation Technical Working Group	MfE	We will provide a briefing seeking your approval of changes to membership of the Climate Change Adaptation Technical Working Group in the week of 27 November.
Call for data to update NZAS electricity allocation factor	MfE	<p>A Gazette notice of a call for electricity related data from New Zealand Aluminium Smelters needs to be published by early December. We will provide you with a briefing on the electricity allocation factor used to determine the provisional (forward looking) and final (adjusting a previous provisional number) allocation and Gazette notice for your signature. You will be asked to respond to this briefing by 8 December.</p> <p>The NZAS electricity allocation factor is amended each year. The process starts in December with the Gazette notice and concludes in March with amendment regulations.</p>

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4. Cabinet material being prepared for you

Paper name	Committee	Further information
The 100-Day Plan for Climate Change: the Zero Carbon Bill, Climate Change Commission establishment unit, and Chief Executive Board	Cabinet Business Committee	This paper seeks agreement from Cabinet on: <ol style="list-style-type: none">1. the process for introducing a Zero Carbon Bill to Parliament in 20182. the set up of a Climate Change Commission establishment unit and a new Climate Change Chief Executive Board.


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6. Engagement

6.1. Key issues in the media and social media

- There was wide media coverage of the Prime Minister urging world leaders to join New Zealand in addressing the challenges of climate change. NZ was positioned as moving into a climate change advocacy and leadership role.
- Fonterra's announcement of greenhouse gas emission reduction targets received generally positive coverage in media and social media.
- Sea level rise was covered in a range of media outlets. Articles covered insurance issues for the Eastbourne community, the effects of sea level rise on Christchurch homeowners and Kapiti ratepayers taking their council to court over how it has dealt with coastal erosion. Some commentators called for central government support of councils.

6.2. Key upcoming engagements

- s9(2)(j)
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7. OIA requests

7.1. Ministerial

Request	Correspondent	Reference	Due at your office/current status	Date due to send
<p>2. Advice to Cabinet and decisions made by Ministers in respect of this policy; [Crown Conservation Contracts on any Crown land]</p>	<p>§9(2)(a)</p>	<p>17-O-01288</p>	<p>This was provided to the previous Minister on 3 October. MfE are currently consulting on your behalf with Cabinet Office regarding the release of previous administration Cabinet papers. MfE provided your office with an update for §9(2)(a) on 9 November, which has been sent.</p>	<p>10 October</p>
<p>A copy of the interim report from the Climate Change Technical Advisory Group, which has been provided to the office of the Minister for Climate Change. The report is referred to in the group's terms of reference, here: http://www.mfe.govt.nz/climate-change/what-government-doing/adapting-climate-change/climate-change-adaptation-technical</p> <p>I understand from correspondence with the former minister's office the report had been received in May.</p>	<p>§9(2)(a)</p>	<p>17-O-01361</p>	<p>27 November</p>	<p>4 December</p>
<p>Cabinet material captured by the following request: Please provide any discussions, emails, correspondence, memos, meeting notes, phone records, and reports relating to the timing for public release of the draft report "Coastal Hazards and Climate Change: Guidance for Local Government" 3rd edition.</p>	<p>§9(2)(a)</p>	<p>17-O-01346</p>	<p>We consulted with Cabinet Office on your behalf and are able to confirm that as the draft Cabinet papers were never provided to Cabinet we are not required to consult with the Leader of the Opposition in this instance. As this OIA sits well with the twin Departmental OIA we suggest that both OIAs are released together. We will discuss the practicalities of this with your office.</p>	<p>11 December</p>

7.2. Departmental

Request	Correspondent	Reference	Date due to send
The names of companies that are emitting SF6 and recorded in the greenhouse gas inventory.	§9(2)(a)	17-D-01353	27 November
Please provide any discussions, emails, correspondence, memos, meeting notes, phone records, and reports relating to the timing for public release of the draft report "Coastal Hazards and Climate Change: Guidance for Local Government" 3rd edition.	§9(2)(a)	17-D-01291	11 December

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