

Submission
Climate Change Response (Zero Carbon) Amendment Bill
July 2019

Mihi

***Ka mihi ake ai ki ngā here kōrero,
Ki ngā pari whakarongo tai,
Ki ngā awa tuku kiri o ōna manawhenua,
Ōna mana ā-iwi taketake mai, tauiwi atu.
Tāmaki – makau a te rau, mūrau a te tini,
Wenerau a te mano.
Kāhore tō rite i te ao.***

*I greet the mountains, repository of all that has been said
of this place,
there I greet the cliffs that have heard the ebb and flow of
the tides of time,
and the rivers that cleansed the forebears of all who came
those born of this land and the newcomers among us all.
Auckland – beloved of hundred, famed among the
multitude, envy of thousands.
You are unique in the world.*

Introduction

1. Auckland Council and its four largest Council-Controlled Organisations (CCOs), including Auckland Transport, Watercare, Panuku Development Auckland and Auckland Tourism Events and Economic Development (ATEED), thank the Ministry for the Environment for the opportunity to provide feedback on the Climate Change Response (Zero Carbon) Amendment Bill.
2. We have enjoyed a strong partnership with Government through the Ministry for the Environment, agreeing a set of collaborative workstreams and methods, including sharing of team resources, for the Climate Change Response (Zero Carbon) Bill Amendment and Te Tāruke-ā-Tāwhiri: Auckland's Climate Action Framework. This collaboration was highlighted during the Auckland Climate Symposium in March 2019, which included co-funding and sessions led by the Ministry for Environment at the event.
3. In July 2018, Auckland Council submitted a response to the Zero Carbon Act, covering its position with additional input around the strength of the Act and the critical importance of a just transition. The response recommended the Government take significant mitigation action while including climate adaptation within the Climate Change Commissions role. The Climate Change Response (Zero Carbon) Amendment Bill and bold government leadership is critical for the success of Te Tāruke-ā-Tāwhiri: Auckland's Climate Action Framework.
4. Since the previous response to central government, Auckland has committed to developing a plan in line with limiting global warming to 1.5 degrees Celsius. In November 2018, Auckland Council recommitted to membership of C40 and joined 94 major international cities taking bold action against climate change. This committed the Auckland region to progress towards limiting global warming to within 1.5 degrees Celsius above pre-industrial levels, which aligns with the aim of the amendment bill. Auckland Council has also declared a Climate Emergency, which highlights the urgency required to transition Auckland towards a net zero future.
5. Auckland Council is currently developing Te Tāruke-ā-Tāwhiri: Auckland's Climate Action Framework, which outlines a series of required mitigation and resilience actions to align with the 1.5 degrees Celsius target, while ensuring the region is resilient to future climate change challenges. Auckland Council has worked alongside central government in the development of this framework, identifying key levers for successful implementation and advocating for their inclusion in the Climate Change Response (Zero Carbon) Amendment Bill. The draft climate action

framework has 11 key moves which speak to Auckland's needs and address the future challenges it will face. The draft framework was developed through strong collaboration with Mana Whenua, and with extensive consultation and evidence building including Climate Change Risk Assessments (CCRAs), emissions modelling and analysis of other leading cities' climate action plans.

6. A successful and productive Auckland, like any city, is predicated on a range of requirements with direct connections to the low emissions transition and to building resilience to climate change. These include transport choices, clean energy, public green space provision, and a high-quality and safe built environment. These factors have been shown to improve economic outcomes including agglomeration benefits, and lower/avoided costs and are addressed in the key moves of Te Tāruke-ā-Tāwhiri: Auckland's Climate Action Framework.
7. It is acknowledged that this response is from the region of Auckland, and there are additional challenges specific to Auckland Council and its CCOs. Auckland's methane emissions only contribute to 9.8% of its portfolio, with transport emissions the largest contributor to the region. However, methane emissions account for approximately 20 percent of Auckland Council's emissions inventory, from council-owned farms and landfills, which provide additional revenue. As an organisation, we face specific challenges around biogenic methane.
8. The transition to a climate resilient, low carbon economy and society is a priority for Auckland and Auckland Council. Such a transition presents many challenges to local and central governments as well as significant opportunities. For instance, funding the transition is likely to require additional capital spend at least in the short term. Yet evidence and modelling support a direct connection between climate policy and economic growth. More specifically, Auckland has called for sector-based leadership from Government which aligns with the key moves in Te Tāruke-ā-Tāwhiri and leads the path forward in the transformation of Auckland and New Zealand.

Our response to Climate Change Response (Zero Carbon) Amendment Bill

9. Auckland Council's response is separated into five categories, addressing the four main areas of the bill (climate commission, targets, emission budgets and adaptation) and additional areas to include within the amendment bill.

Climate Change Commission

10. Auckland Council supports the role of an independent body to oversee New Zealand's climate change commitments. As stated in the previous response to the Zero Carbon Act, we agree that the commission should function independently of political cycles, ensuring it has clear remit to support the work of local government, and that budgets and plans are linked to required actions by local government and the inclusion of both mitigation and adaptation. We support the function of the Climate Change Commission to advise on climate change mitigation and adaptation and monitor and review the progress towards targets.
11. We support the Commission's independent position but not a full decision-making role in setting policy under its own authority at arm's length from Government. We do however suggest that stronger language, such as "act", "should", is used to urge the relevant Minister to fully consider the Commission's advice when making decisions. It is important for the Minister to be transparent when overruling the commission's advice and provide solid evidence and reasoning for diverting.
12. Auckland Council supports most selection requirements for the members of the Climate Change Commission. However, we strongly suggest that technical knowledge and expertise of Te Tiriti o Waitangi be mandatory, and not only a requirement the Minister will "have regard to". There must be appropriate representation of Māori at governance and executive levels for response to climate change.
13. We also stress the importance for the Commission members to have extensive understanding of both climate mitigation and adaptation, with the ability to draw on wider expertise as required to ensure a balanced approach. Auckland Council acknowledges the reasoning for a maximum of seven members, however the breadth of consideration and knowledge required, particularly in relation to climate risks and response, will require members to have broad knowledge and skillsets. The wide scope of climate change adaptation can cover wildfires and epidemiology through to more common areas such as droughts and flooding, and it is therefore important that this expertise can be drawn on when required.

Targets

14. We need ambitious targets built on sound scientific evidence to ensure we reach the 1.5 degrees Celsius emissions pathway. Auckland Council stands behind its last response to the Zero Carbon Act of a single target approach of net zero emissions (inclusive of all gases) by 2050. We do however acknowledge that there is currently a lack of scientific consensus around the correct warming impact of methane, and dispute around the GWP₁₀₀ international standard of measurement. Therefore, we focus our response on the separated target approach for methane and other greenhouse gases in this response.
15. Regarding targets for methane, Auckland Council would like to see consistency with the Intergovernmental Panel on Climate Change (IPCC) report regarding the 2030 and 2050 targets.

According to the IPCC report¹, to reach the 1.5 degrees Celsius target by 2050, a reduction of 11 - 30 percent in methane is required by 2030 from 2010 emission levels. New Zealand's methane emissions have gradually increased between 2010 and 2017, and a 10 percent reduction by 2030 against a 2017 baseline will not be sufficient according to the IPCC's recommendations. Auckland Council recommends a minimum of 11 percent reduction in methane emission from the 2010 level (this could be adjusted in line with a 2017 baseline to ensure all baselines in the bill are consistent).

16. Auckland Council supports the higher end of the methane reduction range - 47 percent - in gross biogenic methane emissions by 2050. From our research we believe that the 2030 reduction target of 10 percent is possible under current conditions, however the 24 to 47 percent reduction target will require transformational change of the agriculture sector.
17. We support the net zero target for all other greenhouse gases, especially the inclusion of nitrous oxide emissions which have increased by 27.6 percent since 1990². Nitrous oxide has high warming potential which is 265 times³ the warming impact of carbon dioxide and is a critical area of focus for New Zealand's transition to net zero.
18. While aware of the challenges facing specific sectors around reducing methane emissions, Auckland Council would like to acknowledge the transformation required for all sectors to reach net zero emissions in carbon dioxide and nitrous oxide. We support the move for central government to invest and work alongside industry to reach the proposed targets and ensure that industry is not pushed offshore where emissions legislation may be weaker, with negative consequences to global climate change action.
19. Auckland Council does not support revision of the target to be less ambitious if circumstances change. This would interfere with the predictability and transparency necessary to steer policy direction and likely result in slippage. However, we hold our original standing of support for a more ambitious ratcheting of the target, including one to emissions positive or earlier delivery (e.g. net zero by 2040).
20. Auckland Council supports the prioritisation of local carbon offsets and that the emissions targets should be reached through domestic reductions including new forest planting. We support the language in the bill that international carbon units are to be used to offset residual emissions after all other means of reducing domestic emissions have been exhausted. We consider this an "investment now in New Zealand" approach with short-term price implications but long-term benefits realisation. Using international units is less ideal given that the ancillary benefits of domestic reductions accrue locally. We recognise, however, that the use of international units may be necessary given the implications of an ambitious target.

¹ IPCC, 2018: Summary for Policymakers. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)]. In Press.

² Statistics NZ, "New Zealand's Greenhouse Gas Emissions", Wellington. Retrieved from <https://www.stats.govt.nz/indicators/new-zealands-greenhouse-gas-emissions>.

³ Myhre, G., D. Shindell, F.-M. Bréon, W. Collins, J. Fuglestedt, J. Huang, D. Koch, J.-F. Lamarque, D. Lee, B. Mendoza, T. Nakajima, A. Robock, G., Stephens, T. Takemura and H. Zhang, Anthropogenic and Natural Radiative Forcing. In: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA.

Emissions budgets

21. Auckland Council supports the establishment of emission budgets. The visibility of three emissions budgets at one time provides predictability and progress on reductions through political cycles.
22. Auckland Council expresses concern around the potential resource burden and complexity of additional data collection from local governments in the development of the emissions budgets. It is important to be clear about the depth of input and workload timelines required by local government, so resourcing can be anticipated and sequenced.
23. Auckland Council accepts the ability to change the second and third consecutive budgets under the specifications outlined in section 5ZB. This section only enables alterations to the emissions budgets if there were significant changes to the base considerations the budget or methodological improvements in emissions measurements. The iterative ability of the budgets enables unpredicted changes to be accounted for and keep the targets realistic, aggressive and attainable.
24. Auckland Council supports the role of the Minister and Climate Change Commission in forming the targets and the proposed considerations they must consider when setting the budgets. Scientific knowledge about climate change, awareness of latest technology developments and identifying policies that underpin the zero-carbon transition are critical to reaching net zero. Obligations to Te Tiriti o Waitangi are critical, and there must be a focus to integrate and reflect Te Ao Māori within the emissions budgets and plans.
25. We support the development of plans to meet emissions budgets that follow a set timeline after the emission budget is set. We would like to reiterate the importance of a just transition during this process, and ensuring all sectors are supported and play their part in the zero-carbon transition. We would like stronger emphasis on working alongside local government to achieve these goals, as the success of the Climate Change Response (Zero Carbon) Amendment Bill and local climate action plans depends on strong collaboration.
26. We acknowledge that innovation is required to reach the targets and emissions budgets in the amendment bill. We would like a strong focus on support for innovation opportunities to thrive, such as using incentive funding and innovation hubs to help individuals, communities and sectors reach the required targets. We encourage the government to create well-defined channels to enable and foster innovative and new approaches, which will benefit a just transition.

Adaptation

27. We have supported and continue to support the inclusion of climate adaptation in the amendment bill. This is an approach that Auckland Council used in the development of Auckland's Climate Action Framework. We believe that the integrated approach can enable actions that deliver multiple outcomes instead of hindering or undermining progress in either field of mitigation and adaptation.
28. We support a national climate change risk assessment and advocate for the alignment of approaches between national and local government when undertaking risk assessments. Auckland Council has developed a Climate Change Risk Assessment for the region during the development of Auckland's Climate Action Framework.

29. Auckland Council was given the opportunity to give input to the draft framework for the national CCRA, for which we are grateful. We are keen to continue to work with the Ministry for the Environment as the assessment develops to ensure that there is a clear alignment between local and central government approaches and the outputs are supporting action at all levels.
30. We believe it is critical that significant funding support be provided from a national level for local implementation of resilience measures. Putting the majority of the funding onus on local government will make it difficult for adaptation measures to succeed.
31. We support the 6-year refresh of a national climate change risk assessment and adaptation plan to ensure the most significant risks are addressed in responsible timeframes. The alignment with local government long-term plans is important for allocating sufficient funding to address climate resilience. We express concern around the misalignment of the mitigation work (5-year emissions budgets), as it is critical that climate mitigation and adaptation are not conducted separately to enable co-benefits to be optimised. We would like to see adequate movements to ensure that the timing difference does not impact the collaboration between the two areas. We support an increase in the reporting time from 2 years up to 3 years within the adaptation cycle to align with current local government budget cycles.
32. We strongly recommend the reporting power for adaptation be a mandatory requirement for reporting of climate risks. Auckland Council published its climate change risk assessments in early 2019, starting the open and transparent sharing of information to enable communities to make climate ready decisions. We believe that the adaptation reporting power enables organisations and individuals to manage climate risk and ensure their efforts are coordinated effectively, while also enabling government to design holistic policies and approaches in developing adaptation. We want to highlight that the reporting power may not be effective if a Minister does not request it. To prevent this critical work from being overlooked due to Ministerial changes or competing priorities, we recommend that the reporting power be mandatory.
33. For the reporting power to be effective, clear guidance and templates will be required. This would enable consistency in approach and support the on-going reviews of the national CCRA.
34. We would like to see insurance companies included in the disclosure of climate risk, as it is important for the public to understand areas that may be at future risk of being uninsurable.
35. Auckland Council recommends that interdependencies between infrastructure sectors are identified in the reporting of climate change risks as interdependencies can amplify the impacts of climate change.

Additional considerations

36. Auckland Council suggests the reporting power scope is extended to include mitigation efforts. It is important that appropriate organisations are required to publicly disclose their emissions inventory and efforts to reduce emissions. This could help support the delivery of emissions budgets and targets, while identifying areas for prioritisation and potential opportunities for research and development funding.

37. Auckland Council has concerns around the ambiguity and limited consequences for failure to reach the 2050 targets and emissions budgets. Section 5ZJ in the amendment bill outlined that the court may make a declaration to the effect that an emissions budget is not met, together with an award of costs. It is unclear the recipient of these funds, and the ability of the bill to hold sectors to account for the inaction towards local, national and international commitments. We propose that if there was an award of costs for failure to meet the target, it must be of an adequate level to act as a financial driver for climate change action. We also request that the bill clarifies to whom the costs would be awarded.
38. The success of Auckland's Climate Action Framework is dependent on bold action from central government, including policy direction and legislation. Permissive action, outlined in section 5ZK of the bill, enables organisations and sectors to continue business as usual when urgent action is critical. We would like to see a stronger enforcement ability within the bill to ensure New Zealand transitions to a net zero future.
39. Auckland Council recommends stronger inclusion of Te Ao Māori throughout the Climate Change Response (Zero Carbon) Amendment Bill. As mentioned earlier, we would like to see appropriate representation of Māori at governance and executive levels. We also would like stronger wording around the inclusion of Te Ao Māori knowledge within the Climate Change Commission, ensuring there are sufficient partnerships with Tangata Whenua, iwi and hapū including provision for representation. We urge that Te Tiriti o Waitangi obligations are honoured, upheld and respected, and that both worldviews are combined within mitigation and adaptation action responses.
40. Strong and mutually beneficial partnerships between Tangata Whenua and crown agencies (including local and regional government) are crucial components in developing a New Zealand-specific response to climate change. There is an ongoing partnership with Mana Whenua of Tāmaki Makaurau in the development and implementation of Te Tāruke-ā-Tāwhiri-Auckland's Climate Action Framework, and we believe this partnership must be upheld at a national level. Auckland Council are working with Mana Whenua to ensure there are specific actions within Te Tāruke-ā-Tāwhiri that reflect this. Some examples include:
- a. addressing the impacts of climate change on whakapapa for Tangata Whenua;
 - b. ensuring a mātauranga Māori framework is developed with Tangata Whenua to safeguard taonga knowledge and enable both mātauranga Māori and western science uphold decision-making on climate action; and,
 - c. enabling kaitiakitanga – as the active guardianship of whakapapa - in current management and planning practices, and all future innovation and process changes.
41. Auckland Council advocates for the inclusion of climate mitigation and adaptation requirements in other central government acts, such as the Resource Management Act (RMA) and the Building Act. Currently, there are policy barriers preventing systemic change for mitigation and resilience actions within specific areas of legislation. Certain legislation, such as the Building Act, can override the ability to ensure all future buildings within New Zealand are climate-proof and low carbon. It is essential that climate change mitigation and adaptation is reflected and embedded throughout all acts consistently and not overlooked.

42. Auckland Council suggests that the Cabinet, government departments and agencies and local governments are required to produce plans that identify how they will support the successful delivery of the emissions targets and budgets. These plans should identify opportunities for emissions reductions and specifically address the regulatory levers each entity controls. It is essential that the opportunity to reduce emissions is addressed through levers such as the Building Code, product standards, fuel economy standards, RMA reform and the waste disposal levy.
43. As mentioned earlier, it is critical that the transition to a net zero future is just and equitable. This involves strong collaboration with communities and sectors, ensuring that jobs, safe transport options, affordable healthy food and clean energy supplies are maintained and accessible to all. We suggest connection to and inclusion of broader commitments such as developing an active labour market, reskilling and redeployment, and utilising mechanisms to protect workers in the transition. Climate change impacts, such as increase in flooding, sea level rise, drought and temperature rise, will impact different communities to varying degrees, and it is critical that everyone is adequately supported and prepared for future climate change challenges. It is important that the legislation does not bear disproportionate impacts, both directly from climate change and the response to it (such as potential displacement), on vulnerable communities.
44. The risks around failure to meet a just transition, especially regarding adaptation, can be reduced by instilling the responsibility for local adaptation plans to local governments, as they understand the specific needs of their local communities and have a greater capacity for local engagement. It is important that financial support from central government is provided to support local adaptation plans.
45. We stress the importance of strong ongoing partnerships between local and central government for climate action. For example, the alignment of the climate change adaptation plans enables local government to align their investments with the national plan and is a step towards ensuring central and local government work together to face the climate change challenge. We would like to see further participation of local government in the development of the amendment bill and look forward to working in partnership to deliver a zero carbon and climate resilient New Zealand.