

STRATEGY AND POLICY COMMITTEE 3 MARCH 2011

REPORT 5 (1215/52/IM)

SUBMISSION ON THE GOVERNMENT'S PROPOSED EMISSION REDUCTION TARGET FOR 2050

1. Purpose of Report

To seek the Committee's approval to the Council's draft submission (attached as Appendix 1) on the Government's proposed 2050 emissions reduction target of 50 percent below 1990 levels.

2. Recommendations

Officers recommend that the Committee:

- 1. Receive the information.
- 2. Agree to the Council's draft submission (attached as Appendix 1) on the Government's proposed 2050 emissions reduction target of 50 percent below 1990 levels.
- 3. Delegate to the Chief Executive and the Climate Change Portfolio Leader the authority to make any changes to the draft submission required as a result of decisions of this committee.

3. Background

The Government has introduced a target of reducing New Zealand's net emissions to 50 percent below 1990 levels by 2050. The Minister's position paper on the 2050 target is attached as Appendix 2. The Government proposes notifying the target in the New Zealand Gazette. Submissions on the Government's proposed 2050 target close Monday, 28 February but to allow consideration by this Committee, the Council was granted an extension to 3 March.

The proposed 2050 emissions reduction target would be in addition to the Government's 2020 target of reducing New Zealand's emissions by 10 to 20 percent below 1990 levels (this 2020 target is conditional upon an effective global agreement being reached that includes mandatory emissions reduction targets).

The Government is aiming to achieve the following objectives with its 2050 emissions reduction target:

- international credibility in the global effort to respond to climate change and maintaining of New Zealand's "clean and green" image
- creating a target that takes into account New Zealand's unique emissions profile
- creating a time-bound target to give certainty about climate change policy to help guide investment.

The Intergovernmental Panel on Climate Change – the leading international body for the assessment of climate change science - has recommended that:

- global emissions need to reduce 50 to 85 percent below 2000 levels by 2050 to stabilise temperature increases at 2° C by 2100
- Annex I countries (i.e. developed countries like New Zealand) would need to reduce emissions 80 to 95 percent below 1990 levels by 2050 to stabilise temperature increases to 2° C by 2100, assuming developing countries make substantial deviations from their business as usual emissions pathways.

The Council has adopted emissions reduction targets of 3 percent below 2001 levels by 2013, 30 percent below 2001 levels by 2020 and 80 percent below 2001 levels by 2050.

4. Discussion

The Council's draft submission is supportive of the Government's approach to develop a long-term emissions reduction target to inform its policy decisions and clearly signal direction for investment.

The key points of the draft submission are:

- general support of the proposed 2050 target
- acknowledgement that it will be very difficult for New Zealand to achieve the proposed 2050 target because of our emissions profile (dominated by agriculture), growing population and existing high renewable energy profile
- that the 2050 target should be regularly reviewed in light of international climate change agreements, technology advances and scientific advice
- that advances in low-carbon agricultural practices and development of New Zealand's clean tech industries should allow New Zealand to adopt more ambitious long-term targets
- support for existing Government policies and projects such as the Emissions Trading Scheme and *Warm Up New Zealand: Heat Smart* programme
- support for more investment in public transport, active modes and alternative fuels to address emissions from the transport sector
- identification of inconsistencies between the draft New Zealand Energy Strategy and the proposed 2050 target.

5. Conclusion

This report seeks the Committee's approval to the draft submission to the Government's proposed 2050 emissions reduction target.

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Supporting Information

1)Strategic Fit / Strategic Outcome

This activity fits with the outcomes for the Environmental Strategy.

2) LTCCP/Annual Plan reference and long term financial impact

There are no LTTCP references or long term financial impacts in this report.

3) Treaty of Waitangi considerations

There are no Treaty of Waitangi implications from this report.

4) Decision-Making

This report does not require a significant decision.

5) Consultation a)General Consultation

No general consultation has been undertaken for this report.

b) Consultation with Maori

No consultation with Maori has been undertaken for this report.

6) Legal Implications *There are no legal implications from this report.*

7) Consistency with existing policy

The report and submission are consistent with existing policy (the advocacy role outlined in the 2010 Climate Change Action Plan).