

# Cabinet Environment, Energy and Climate Committee

# **Minute of Decision**

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# Framework for Climate Change Policy and Key Upcoming Decisions

#### Portfolio Climate Change

On 8 May 2018, the Cabinet Environment, Energy and Climate Committee:

- approved the following three fundamental pillars which together underpin the all-of-government framework for climate change:
  - 1.1 leadership at home and internationally;
  - 1.2 a productive, sustainable and climate-resilient economy;
  - 1.3 a just and inclusive society;
- 2 **approved** the proposed 2020 outcomes to ensure that:
  - 2.1.1 by the end of 2019, the government will put in place the necessary enduring institutional architecture to enable a just transition to a net-zero emissions economy;
  - 2.1.2 and that, by 2020, New Zealand will:
    - 2.1.2.1 demonstrate its commitment to leadership on climate change and promote global action to achieve the Paris Agreement 1.5/2-degree goal;
    - 2.1.2.2 be on track to meeting our first emissions budget under the proposed Zero Carbon Act;
- **agreed** the all-of-government framework in *Figure 1* to serve as the basis for climate change policy development and Ministerial decision-making, including understanding and balancing trade-offs across portfolios;
- 4 **noted** the all-of-government framework will assist Ministers to make key upcoming decisions in 2018 and 2019, as outlined in *Appendix 1*;
- 5 **noted** the framework will also support:
  - 5.1 the development of a Climate Policy Impact Assessment (CPIA) proposal, which officials from the Treasury and Ministry for the Environment are developing together as part of a wider set of changes to the Government's Regulatory Management System, and which the Minister for Climate Change intends to introduce to Ministers by the end of 2018;

- the ongoing programme of policy work by the interagency Transition Hub, which will form the basis of the 2050 Climate Change Transition Strategy;
- delivering on the government's economic strategy and 12 priority outcomes, in particular the transition to a clean, green and carbon-neutral New Zealand;
- 6 **noted** the Minister for Climate Change will return to Cabinet in late May 2018 with a range of options for public consultation on the Zero Carbon Bill;
- **noted** the Treasury and Ministry for the Environment will further investigate options for reporting on the financial implications of legislated climate change targets and progress towards them, which will be available to inform final Cabinet policy decisions on a target for inclusion in the Zero Carbon Bill;
- **agreed** that the Minister for Climate Change proactively release the paper under ENV-18-SUB-0011 on the Ministry for the Environment's website.

### Vivien Meek Committee Secretary

#### Present:

Rt Hon Winston Peters

Hon Kelvin Davis

Hon Grant Robertson

Hon Dr Megan Woods

Hon David Parker (Chair)

Hon Nanaia Mahuta

Hon Stuart Nash

Hon Damien O'Connor

Hon Kris Faafoi

Hon James Shaw

Hon Julie Anne Genter

Hon Eugenie Sage

#### Hard-copy distribution:

Minister for Climate Change

#### Officials present from:

Officials Committee for ENV

#### The all-of-government framework for climate change policy and decision-making

By the end of 2019, New Zealand will: Put in place the necessary enduring institutional architecture to enable a just transition to a net-zero emissions economy յ **ტո<del>ջ</del> էչ 20**20, we will: 0 -(2) Demonstrate our commitment to leadership on climate change and promote global action to achieve the Paris Agreement's temperature goal (3) Be on track to meeting our first emissions budget under the proposed Zero Carbon Act. The three pillars of this framework are: A JUST AND **INCLUSIVE SOCIETY** A PRODUCTIVE. Y L **LEADERSHIP AT HOME SUSTAINABLE AND** AND INTERNATIONALLY **CLIMATE-RESILIENT ECONOMY** To ensure a careful transition, we will: Create an enduring domestic Consider the optimal speed and Encourage innovation, diversification and

- institutional architecture
- Reduce our emissions out to 2050 and beyond
- Hold ourselves and other countries to account to meet international commitments, e.g. Paris Agreement
- Secure a multilateral rules system that delivers action with environmental integrity by all countries
- Stand with the Pacific to support the region's climate action and resilience
- Invest in globally significant research, strategic alliances and capacity-building in developing countries
- Place primary reliance on domestic measures, while retaining options for international cooperation.

- the uptake of new technologies
- Seek to fully understand the costs, benefits, risks and trade-offs of policy levers across the economy, society and environment
- Identify the best-value opportunities to reduce emissions
- Increase our international competitiveness by speeding up the decoupling of emissions from growth
- Drive behaviour change via a range of policy tools, including regulation, education, price-based and support levers
- Proactively adapt to ongoing climate change impacts and invest to build resilience across all hazards and risks.

- pathways for transition
- Take early action where this prevents greater costs in the long run, also recognising the rights and needs of future generations and honouring existing Treaty settlement commitments
- Support the transitional shift to lower emissions and resilient sectors, and recognise and mitigate impacts on workers, regions, iwi/Māori rights and interests and wider communities
- Support those affected by climate impacts to adjust
- **Ensure information about climate** change and its impacts is robust and accessible to aid decision-making.

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