

# BRCT submission on New Zealand's post 2020 climate change target



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## Climate Change Consultation Contribution: BRCT's submission on New Zealand's post 2020 climate change target.

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## 1 Preamble

Thank you for this opportunity to submit on **New Zealand's contribution to the new international climate change agreement.**

**The Blueskin Resilient Communities Trust (BRCT) is a registered charitable trust formed in 2008 to support sustainability and low carbon transition initiatives in a planned and structured way. We work as a legal body to provide a public benefit and achieve the long-term objective of building community resilience. Our headline work is our community wind development and our core activity areas are in energy, climate change action, and provision of community services. We offer support to number of community groups working in the field of sustainability. Jeanette Fitzsimons is our patron.**

We endorse the New Zealand proposal that countries submit a commitment to reduce or manage emissions as a "schedule", as well as accounting, review and updating provisions.

We are concerned however that the economic modelling commissioned by the MfE does not appear to have recognised the value to our economy of mitigation. Our own Dunedin Council calculates that *"More effective mitigation could significantly reduce potential future adaptation costs"*. We cannot simply ignore the costs to society, our economy and our environment of a changing climate. If we do, we risk our trading reputation, but this is the least of the risks we face. Far more problematic is the cost to future governments and generations, and reduced windows of opportunity. We urge the Ministry and Government to take the lead in speeding up the **decarbonisation** of our society and economy.

Taking appropriate action now involves short-term economic costs, but also offers significant short-term savings, and avoids much greater long-term costs. For example, the Dunedin City Council estimates that long-term costs to protect low lying areas of the city from changes in sea level rise could increase from the lower emission and consequence pathway of \$10 million to \$150 million if we do not restrain emissions. Our changing world requires innovation, creativity and leadership and we would like to see our government leading discussion at the Paris meeting in December this year with aggressive emission reduction targets and a plan that is reviewed annually.

**We, the Blueskin Resilient Communities Trust, would like a further opportunity to discuss the economic opportunities and domestic policies to achieve a better contribution prior to the December meeting.**

## 2 Key Recommendations for the Climate Change Target

Climate action now will safeguard future generations, maintain a viable economy and improve the health and wellbeing of citizens. We already have plenty of problems through following a business-as-usual approach. Climate action now reduces our exposure to risk and will help build a more resilient society, able to adapt to the climate challenges that we will continue to face this century and beyond.

We request that the Intended Nationally Determined Contribution (INDC) include:

1. A plan to **reduce domestic greenhouse gas emissions by 5% per year** beginning in 2016, following a science-based approach;
2. A pledge of **at least 40% cuts by 2030** in our gross **domestic greenhouse gas emissions** compared with 1990, towards at least 95% by 2050;
3. An **immediate moratorium on fossil fuel exploration**, and pledges to phase out existing extraction in the next decade;
4. A pledge to achieve **100% renewable electricity generation** with security of supply by 2025, with a plan to be confirmed by 2017;
5. A commitment to a **global and New Zealand zero 2050 carbon target** with annual steps to get there;
6. Measures of **health and fairness** in the assessment of costs and benefits;
7. A legislated **independent Climate Commission** to ensure New Zealand meets its targets and stays within the global carbon budget;
8. Creation of a **credible cross-party working group**;
9. **Reduction in purchase of overseas carbon credits** and increase of investment in national climate solutions, and;
10. Financial and legal assistance to our **Pacific neighbours** as they grapple with pressing climate change issues.

We recognise that there are many opportunities in the transition to a low carbon economy, and every year those opportunities are ignored, we increase the cost of any subsequent action and lower its benefit. Now is the time for leadership.

## 3 Action Areas

### a. Residential

Opportunities to reduce carbon emissions in the residential sector have co-benefits and advantages for both national and regional economies exist through actions to reduce carbon emissions in the residential sector. With very simple steps, a 35% reduction in household carbon footprint (equating to an annual reduction 2.8 tonnes per household) can easily be achieved. Co-benefits include reduction of hospitalisation and absenteeism, boosted economic productivity and reduced the national health costs. Change in home-owner behaviour will allow the annual carbon reduction to become the norm.

#### *What government can do now:*

1. Provide \$2 million support per annum to be administered either through MBIE or EECA to support both the Community Energy Network's National **Home Performance Advisory service** (with regional programme cost support) and the national **Eco-Design Advisor service** managed by councils around the country. These programmes provide independent expert advice for homeowners to ensure warmer, healthier, low emission homes;
2. Provide \$300 million in 2016 to EECA (\$100 million a year for three years) to restore the highly successful **Warm Up New Zealand** insulation scheme to its original target of improving all poorly insulated homes (review in 2019), and;
3. Ensure the Warm Up New Zealand scheme includes **mandatory requirements** for damp proofing and pipe lagging.

### b. Fossil Fuel Finance

We need to significantly and urgently reduce the amount atmospheric greenhouse gases to limit climate change risk and damage to our ecosystem, our society and our economy all of which depend on a stable climate. It is commendable that New Zealand has recently called for all governments to axe fossil fuel subsidies. We should start at home.

#### *What government can do now:*

1. Immediately **cease** all support, tax breaks, financial incentives, subsidies, provision of technical data and/or permits for **fossil fuel exploration** in New Zealand territorial waters, and;
2. Commit to, and implement by 2018, a **national carbon tax** (Carbon 'Fee & Dividend'<sup>1</sup>) to assist the simple transition to a low carbon society.

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<sup>1</sup> See: <http://ossfoundation.us/projects/environment/economics>

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### ***c. Renewable electricity generation***

We have a fantastic opportunity in a country known as 'the Saudi Arabia of Wind' to develop an national electricity industry that is 100% renewable. Such renewable electricity with security of supply is a very achievable goal, and it offers an extraordinary opportunity to demonstrate New Zealand's commitment to achieve our climate change targets.

#### ***What government can do now:***

1. Provide \$1 million in 2016 (over three years) for research, design and initial implementation of a **100% renewable electricity generation** plan, while maintaining security of supply. Such a plan will likely involve use of geo-thermal for peak load;
2. From 2016 onwards, reallocate support, tax breaks, financial incentives, subsidies, and level of provision of technical data previously supplied to the fossil fuel industry (calculated to be worth \$46 million in 2013 by the World Wildlife Fund<sup>2</sup>) to support the development of a fully **renewable electricity national network**;
3. Provide incentives, from the above budget allocation above for **embedded generation** including **community-scale wind**, household solar and micro-wind;
4. Continue to support the **Smart Grid Forum** and the **Green Grid Research** programme to work on good design for grid resilience and efficiency gains as we transition to 100% renewable generation, and;
5. Commit to, and implement by 2018, a **national carbon tax** (Carbon 'Fee & Dividend'<sup>3</sup>) to assist the simple transition to a low carbon society.

### ***d. Coal and Biomass<sup>4</sup>***

Public funds are currently being used to prop up the SOE Solid Energy. The coal industry in New Zealand is shedding jobs, and dropping production even with significant state support. At the same time the coal industry is contributing to increased carbon emissions and reducing air quality in many New Zealand towns, cities and regions, contributing to increased respiratory illness and general poor health. In parallel, New Zealand's wealth of biomass is receiving very little attention, but could replace virtually all domestic coal consumption, provide jobs and contribute to regional development.

#### ***What government can do now:***

1. **Cease** all public funds allowing indemnity to be provided to the board of Solid Energy by 2016 and stop any other form of public support for Solid Energy;

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<sup>2</sup> See: [http://awsassets.wwfnz.panda.org/downloads/wwf\\_fossil\\_fuel\\_finance\\_nz\\_subsidies\\_report.pdf](http://awsassets.wwfnz.panda.org/downloads/wwf_fossil_fuel_finance_nz_subsidies_report.pdf)

<sup>3</sup> See: <http://ossfoundation.us/projects/environment/economics>

<sup>4</sup> The biomass we are referring to here is organic matter used for fuel. While plant based matter, particularly wood is the most common biomass for fuel in New Zealand, we should not ignore city waste, and algal biomass materials.

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2. Provide \$1 million to [Scion](#) or other expert bodies to devise and implement a **biomass strategy** for New Zealand with support from EECA and MBIE;
3. From 2016 onwards, allocate an additional \$2 million to EECA to **support biomass uptake**, for distribution through its Industrial Energy Programme and Residential programme over 3 years, and;
4. Commit to, and implement by 2018, a **national carbon tax** (Carbon 'Fee & Dividend'<sup>5</sup>) to assist the simple transition to a low carbon society.

### e. Forestry

We have enormous potential in New Zealand to plant trees and remove carbon from the atmosphere. Forests provide a range of ecosystem services in addition to providing a carbon reservoir. New planting initiatives will grow New Zealand's forest estate, and create a carbon reservoir, provided attention is given to species, stocking, site conditions and how long the forest will be left to grow (or whether it becomes permanent forest).

#### **What government can do now:**

1. Conduct an immediate policy review to see what amendments/changes can be made to **encourage new forest planting**, and implement changes in 2016, and;
2. Commit to, and implement by 2018, a **national carbon tax** (Carbon 'Fee & Dividend') to assist the simple transition to a low carbon society.

### f. Agriculture

As the discussion document has identified, New Zealand has a very high emission profile from agricultural activity. Agriculture is also very vulnerable to climate change impacts and the export marketplace is becoming extremely sensitised to 'green' produce. It is now crucial that we develop a strategy to reduce emissions from agriculture and prepare for a more uncertain future where agricultural production must contend with a greater frequency of adverse events.

#### **What government can do now:**

1. Begin development of a '**Rural Policy**', to be formalised in 2016, to provide a 'framework for action' likely to prioritise: a). National Food Sovereignty; b). Lowered agricultural emissions; c). Maintaining rural livelihoods, and; d). Multifunctionality of rural space, and;
2. Remove all tax-payer support for '**productionist farming**<sup>6</sup>' research which leads to increased greenhouse gas emissions.

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<sup>5</sup> See: <http://ossfoundation.us/projects/environment/economics>

<sup>6</sup> See: Tansley, G. & Worsley T. (1995) *The Food System: a guide*. London: Earthscan; McNeil, J. (2000) *Something New Under the Sun: an environmental history of the twentieth century*. London: Allen Lane The Penguin Press.

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## ***g. Transport***

A rapid low carbon transition in transport will be a boon to our economy. If we are able to rapidly transition to a transport system using electricity as the energy medium, we will reduce emissions just as rapidly, reduce our exposure to international risk and support our local electricity sector, ensuring our energy dollar related to transport is retained within New Zealand.

### ***What government can do now:***

1. Immediately **commission Treasury** to complete a cost-benefit analysis of transitioning the New Zealand transport fleet to electric;
2. Develop a **strategy** by 2016 to secure a transport fleet running on 95% renewable energy by 2050, with verifiable targets along the way;
3. Increase support for the development of **cycleways and charging stations for E-Bikes**, (additionally ensuring health co-benefits), and;
4. To recognise the public benefit of the reduction in emissions related to electric vehicles, develop a **public support programme** (i.e. EV subsidies, tax incentives, charging stations, reduced ACC levies, etc) for implementation in 2016.

## **4 Concluding Statement**

While the four week public consultation period (announced and opened on the 7<sup>th</sup> of May) seems likely to have limited the number and quality of public submissions received, particularly as economic analyses were released weeks into the short consultation period, we have been impressed by the community engagement on the single most important environmental, social and economic issue we collectively face: **climate change**.

We are already aware of submissions on **New Zealand's post 2020 climate change target** from: the Dunedin City Council, Wise Response, Ora Taiao (NZ Climate & Health Council), Seniors Climate Action Network Dunedin, Blueskin Bay Watch, Transition Valley 473 and many individuals. We are impressed by the wealth of expertise and passion from the community to work on solutions and to decarbonise our society and economy.

There are many opportunities to reduce domestic emissions and these opportunities often contain significant co-benefits. Taking action on climate change is an investment in a more resilient, healthier future for all, and we urge the Ministry and Government to take the lead in speeding up the **decarbonisation** of our society and economy.

**We thank you for your attention to our submission.**