

New Zealand Government climate change policies

April 2018

Since the 2017 General Election the Labour-led New Zealand Government has begun pursuing reforms designed to achieve sustainable development that makes the just transition to a low-carbon economy.

The Government is committed to meeting the Paris Agreement target of reducing greenhouse gas emissions to 30 percent below 2005 levels by 2030, and has signaled it intends to do this in a way that provides for a just transition for workers, families and communities reliant on affected industries.

This Paper will outline the Government's climate change programme.

Zero Carbon Act

On 18 December 2017 Minister for Climate Change James Shaw announced Cabinet had agreed to a process of consultation to formulate the Zero Carbon Act, which aims to reduce New Zealand's emissions to net zero by 2050.

The Act would establish an independent Climate Change Commission to provide long-term non-partisan advice to the government of the day, ensuring New Zealand stays on track to meet its climate change goals.

The Labour-Green Party confidence and supply agreement states the Government should "request the Climate Commission to plan the transition to 100% renewable electricity by 2035 (which includes geothermal) in a normal hydrological year."

The Labour-NZ First coalition agreement states that "if the Climate Commission determines that agriculture is to be included in the ETS, then upon entry, the free allocation to agriculture will be 95% but with all revenues from this source recycled back into agriculture in order to encourage agricultural innovation, mitigation and additional planting of forestry."

The Government intends to stimulate up to \$1b of new investment in low carbon industries by 2020, assisted by a Government-backed Green Investment Fund of \$100m.

The Government plans to introduce a Zero Carbon Bill by the end of October 2018, followed by a Select Committee process in late 2018 to 2019. The intention is to pass the Zero Carbon Act in 2019.

Draft Government Policy Statement (GPS) on land transport

Released on 14 March 2018, the draft GPS outlines the Government's priorities for expenditure from the National Land Transport Fund over the next 10 years.

In the environmental sense, the GPS:

- Makes land transport funding mode neutral, enabling a shift to lower emission forms of transport including rail, walking, cycling and lower emission vehicles (such as electric vehicles);
- Recognises the importance of urban planning to creating livable cities that value public space and improve access;



- Links to the wider environmental commitments of the Government, including the meeting of Paris climate targets and ambitious emissions reduction targets; and
- Recognises the public health benefits of reducing transport emissions and increasing uptake of walking and cycling.

Ban on offshore gas exploration

On 12 April 2018 the Prime Minister Jacinda Ardern announced there would be no further offshore oil and gas exploration permits granted. The policy is intended to help New Zealand transition towards a low-carbon economy.

Existing exploration and mining rights will not be affected, and no current jobs will be lost as all agreements with current permit holders will be honoured. Existing permits extend as far out as 2030 and could last an additional 40 years under a mining permit.

Measures to ensure a just transition

On 6 April 2018 Regional Economic Development Minister Shane Jones and Parliamentary Under-Secretary Fletcher Tabuteau launched the *Tapuae Roa: Make Way for Taranaki Action Plan* with the Taranaki region.

The Taranaki economy has traditionally been reliant on the oil and gas industries. Through \$20m from the Provincial Growth Fund and \$16m contributed by the Taranaki region, a plan to transition to a modern, high-value economy will be undertaken.

In addition, the Government has announced its Fees Free policy to assist with retraining. This policy provides for an initial one year (scaling to three years over time) of free post-school education during a person's lifetime.

Further information

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