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Committee Secretariat  
Environment Committee  
Parliament Buildings  
**WELLINGTON**

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PAT:MLB

Dear Sir or Madam

## **HORIZONS REGIONAL COUNCIL SUBMISSION – CLIMATE CHANGE RESPONSE (ZERO CARBON) AMENDMENT BILL**

Thank you for the opportunity to make a submission on this Bill. Horizons Regional Council (Horizons) is the regional authority for the Manawatū-Whanganui Region.

Horizons believes that our region is a great place to live, work and play. Our responsibilities include managing the region's natural resources, flood control, monitoring air and water quality, pest control, facilitating economic growth, leading regional land transport planning, and coordinating our region's response to natural disasters.

Looking ahead, the continued effects of climate change have significant implications for the communities we serve, and for our region in relation to both mitigation and adaptation. We take strong interest in Government's policy response, and therefore the proposals in this Bill.

Horizons welcomes the overall purpose of the Bill and understands the issues it seeks to address. We agree that there needs to be clear and stable policy direction to enable government, sectors, industries and communities to understand their contribution. We also appreciate that climate change is not one single issue, and therefore requires an integrated and coordinated approach.

We see the development of a Bill as an important first step in providing policy direction, and note that a significant amount of underpinning policy development will need to be carried out in a tight timeframe if the Government's stated objectives are to be met. There is a question of whether there is sufficient capacity and resource available within Government to meet this timeframe, which raises the risk of compromising meaningful integration and buy-in across all affected sectors.

The establishment of emissions targets and a supporting framework of emissions budgets and reduction planning has the potential to provide a long-term outlook and a framework for sectors, industries, communities and individuals to work to; and we endorse the proposal for strong public engagement in any of these processes.

However, there is a concerning gap between the mechanisms in the Bill to establish policy and strategy, and the roll-out of any implementation. We respectfully submit that the targets and their measurement need to have a clear link through to implementation to achieve any meaningful difference – and that this needs to be well established through this legislation. In our view, if this is not inserted in this Bill, it will take years to get right.

### ***Adoption and implementation***

While supportive of the principle of setting targets, the Bill does not take an integrated and coordinated approach. Many of the communities within our region are already facing ongoing pressures around biosecurity, increased central government regulation, wider social expectations focused on environmental issues, and fluctuations in international economic conditions.

Horizons anticipates that the policy work that supports this Bill will take into account regional variation. With this in mind, we acknowledge and support the proposal that the emissions reduction plan will include a focus on addressing the effects of transition to a low-emissions economy. This recognises that, as an example, meeting the biogenic methane emission target could present significant challenges to regional communities such as the Manawatū-Whanganui Region. Our region has an economy highly geared towards primary production without the buffer of significant, densely populated urban communities over which this costs can be spread. We note that these types of regional variations may create a challenge in developing a set of nationwide targets, and therefore expect they will be actively considered in further policy development. This also has implications for adaptation and responsiveness.

We support the Bill's focus on both adaptation and mitigation. Horizons has been undertaking work on a range of regulatory and non-regulatory measures to address these areas, and is pleased to see Government's recent – but modest – investment in some transition and transformation support for target sectors.

We are not confident that sufficient attention has been paid to alignment of the framework proposed by this Bill with statutory responsibilities under other legislation (such as the Resource Management Act). Adding to the complexity of resource management duties is unlikely to achieve better outcomes.

The Bill does not provide clarity of the role of local government in adaptation, and it would benefit from explicitly stating roles and responsibilities – or that the local Government sector has no responsibility whatsoever. Adaptation will require systems change and significant support over time, and a hierarchy at national, regional and district / community level could assist individuals and communities to make great progress.

Of concern in this regard is the linkage and dependence on the changes to the Emissions Trading Scheme provisions of the Climate Change Response Act. The performance and progress of the Emissions Trading Scheme has been variable, and the proposals do not give Horizons confidence that the appropriate incentives and safeguards will be included. Our preference is that the Bill set these out clearly to reflect the principle aims of the Zero Carbon proposals.

### ***Risk assessment and reporting***

Horizons supports the concept of preparation of a national risk assessment. Local government has built an excellent response capability and capacity for adverse weather events and natural hazards. However, we would strongly support consideration of risk assessment providing leadership in issues that become vexed for communities, brought about from the incremental and ongoing effects resulting from climate change (for example, managed retreat from coastal areas and at risk waterways). This may also require statutory powers to enable direction, and require compliance.

We are hesitant to support the inclusion of further reporting requirements; on the face of it, the proposals appear to support a deliberate cost shifting from the taxpayer to the ratepayer. While we can appreciate the need for information to monitor, report and track progress on key climate change metrics, we are concerned that sufficient consideration has not been given to the rationale for what is being collected and why.

As an organisation with significant expertise in environmental data establishment, collection, monitoring and analysis (including establishing LAWA and collaborating regularly with NASA), Horizons is well placed to understand the cost of new data collection and management. We question the robustness of the cost-benefit analysis in this area of policy development that supports the Bill.

We also make the strong submission for acknowledgement and recognition that every additional reporting requirement, and the monitoring needed to collect the data, imposes a further cost to our communities or gives rise to an opportunity cost. Horizons seeks a clear, well integrated approach to any monitoring and reporting Government requires of the local government sector. This should include policy and operational support for the sector to develop coordinated and efficient reporting processes.

#### ***Other matters***

Horizons notes the proposal to establish a Climate Change Commission, and that the entity would have independence to make recommendations but is unequipped to make decisions of any bearing. This raises questions of the integrity of the proposed policy framework, and how Ministers and the Government of the Day could be held to account. This may also create greater emphasis and weight on the role of the Parliamentary Commissioner for the Environment, and an inequity between the entities. While not intentional, the Parliamentary Commissioner for the Environment may be in the delicate position of undermining the role of the Commission.

The recourse for action around failure to meet targets (for example, Court action) lacks clarity. We are unsure if it is intended that a future portfolio Minister for Climate Change or Environment (or their respective organisations) could be taken to Court on behalf of the failure of New Zealand to meet targets. Further to this difficulty of understanding the defending parties to any Court proceedings, there are also questions as to what would be achieved, and who would pay the costs of any relief sought.

Horizons endorses Local Government New Zealand's submission on behalf of the local government sector where it is not inconsistent with the content of our submission and the matters raised herein. Horizons' elected members approved this submission at the Regional Council meeting on 25 June 2019. We reserve the right to speak to our submission.

Yours sincerely,

Michael McCartney  
**CHIEF EXECUTIVE**