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Report to Policy and Finance Committee
from John Holmes, Section Leader, Policy Advice, and Rosalind Groves, Hazard Analyst

Ratifying the Kyoto Protocol, and Climate Change Policy Options

1. Purpose

To seek Committee's input to and approval of a submission on the Climate Change Consultation Paper, "*Kyoto Protocol – Ensuring our Future*".

2. Background

Management of greenhouse gases and adaptation to the effects of climate change have both been policy areas of interest for the Regional Council during the last 10 years. Provisions in the Regional Policy Statement and regional plans seek to address greenhouse gas emissions and anticipate the range of effects that may arise from global climate change.

There have been various papers presented to Committees of the Regional Council in the last few years on climate change. In response to the Local Government and Environment Select Committee's request for comments on the role of local government in meeting New Zealand's climate change target, a submission was prepared earlier this year (see Report 01.41 and its attachment).

The conclusion in the submission was that local government has a number of roles to play but there needed to be leadership from central government, clarification of public and private sector roles and better co-ordination across related policy programmes (energy, transport, waste management, air quality and biodiversity). Local government also needed some sort of legitimacy or mandate (and funding) to more effectively focus on causes of climate change and its effects.

The Select Committee has very recently produced a report on its findings (November 2001), and it is heartening to see many of the points raised by the Council reflected in the Report's recommendations. For information, a copy of the Summary of Recommendations from the Select Committee is attached to this Report (Attachment 1).

As part of its on-going work on climate change and international commitments, the Government has recently released a Consultation Paper indicating its intention to ratify the Kyoto Protocol. The Paper also sets out a range of market-based policy options that might be set in place following ratification so that New Zealand can move towards meeting its greenhouse gas commitments required by the Protocol.

Submissions have been invited in order to give the Government views on ratification and the policy options set out in the Consultation Paper. The closing date for submissions is 21st December.

3. **Comments**

Councillors and officers of the Regional Council have attended a number of workshops and briefing sessions on the issues raised in the Consultation Paper, including one held by Local Government New Zealand (LGNZ). The draft submission attached to this Report (Attachment 2) reflects a number of perspectives and comments made at these sessions, as well as identifying matters more directly pertinent to the Regional Council.

The debate around climate change has moved from the science (is the climate actually changing and why) to costs (who will pay to reduce emissions).

The Consultation Paper is essentially seeking comment on two things – the ratification of the Protocol and the market based policy options for helping meet New Zealand's target for greenhouse gas emissions through the period 2008-2012.

Because of the focus on these two things, the wider picture of climate change and the various related steps that have been, or are yet to be taken, is not as clear as it might be. As a result, media attention has narrowed from a wider global and local environmental integrity view to a purely financial/economic assessment of market mechanisms. Nearly all of the concern has been about the risks to the New Zealand economy resulting from what is seen to be an overly-fast attempt to ratify the Protocol prior to the Rio+10 Summit in Johannesburg next September.

While the Regional Council's submission does not offer much comment on the market mechanisms outlined in the Consultation Paper (for the same reasons set out in the LGNZ submission about inadequate information), it does stress that the focus on market mechanisms has detrimentally distracted debate away from the bigger picture aspects of the Kyoto Protocol. The wider community is perhaps more interested in other environmental and social aspects of climate change – and as noted above, many of these aspects relate to responsibilities that local government has for environmental management.

The submission suggests that it is appropriate to support the Government's participation in international moves to manage climate change, consistent with the *Regional Policy Statement's* provisions and previous submissions made by the Regional Council. However, along with LGNZ, the submission also recognises concerns about the speed with which the Government wishes to ratify the Kyoto Protocol, and concludes that ratification of the Kyoto Protocol should be delayed until there is better information about a range of relevant issues, and until the role of local government in climate change is more clearly articulated.

4. **Communication**

Copies of the submission will be sent to LGNZ and to the Government's Climate Change Programme team.

5. **Recommendations**

It is recommended that the Committee:

- (1) ***adopts*** the draft submission; and
- (2) ***approves*** that officers forward copies of the submission to the Government's Climate Change Programme team and to Local Government New Zealand.

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Attachments

1. Summary of Recommendations from Local Government and Environment Committee Report
2. Wellington Regional Council Submission on: "Kyoto Protocol: Ensuring our Future"