

By email

19 August 2024

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Tēnā koutou katoa,

Second Emissions Reduction Plan – Greater Wellington Regional Council Submission

Greater Wellington Regional Council (Greater Wellington) thanks you for the opportunity to make a submission on the second Emissions Reduction Plan (ERP2).

As a regional council, Greater Wellington is responsible for a range of functions relevant to climate mitigation and adaptation, including environmental management and regulation, flood protection, land transport planning and public transport planning and provision. Greater Wellington is responsible for consenting, compliance monitoring, and enforcement functions under legislation and policy including the Resource Management Act, the National Policy Statement for Freshwater Management, and Greater Wellington's Regional Policy Statement and Natural Resources Plan.

We congratulate the Government on releasing the ERP2 for public consultation. A credible pathway to a low-carbon, resilient economy that sends strong and clear signals to all parts of our society about the degree and speed of change required to achieve this is critical to our future well-being.

We reinforce the call for the Government to consider new ways to fund local government to deliver on the ground climate action. To successfully respond to the long-term problem of climate change we need to act collaboratively, enable strong local-central government relationships and stay the course. For this to happen we need to start with conversations to explore the opportunities, new ways of working and new funding mechanisms.

We hope that our feedback contributes to a stronger final plan.

Please find our submission points below. We begin with some general points on the overall approach taken, before turning to feedback specific to each sector area.

1 General feedback and key recommendations

Greater Wellington has general concerns regarding the following features of the second Emissions Reduction Plan:

- The 'least cost' approach,
- The heavy reliance on offsetting through forestry and carbon capture and storage,

- The minimal focus on equity, inclusivity or just transition, and,
- That New Zealand is not well-placed for ‘world-leading climate innovation’.

Our three primary recommendations are:

- Reform the NZ ETS to prioritise gross emissions reductions and align with emissions reduction targets and ring-fence the revenue to incentivise emission reduction actions and permanent indigenous afforestation.
- Strengthen the emphasis on mode shift from private vehicle to public and active transport as the true ‘least-cost’ approach. This is also more equitable than the sole focus on public charging for electric vehicles, which are unaffordable for most New Zealanders.
- Fund the development of a collaborative national knowledge hub and work closely with the regional and unitary councils to support farmers and growers.

Details on general feedback

‘Least cost’ approach

It is not clear from the discussion document that social and environmental costs as well as long-term economic costs were given proper consideration. Over the long term, this approach could become the most expensive (economically, socially and environmentally) as it could mean that Aotearoa New Zealand fails to mitigate climate change, does not meet its domestic targets nor its Nationally Determined Contribution under the Paris Agreement and needs to increase the level of climate change adaptation needed.

Heavy reliance on offsetting through forestry and carbon capture utilisation and storage

There are risks involved in a heavy reliance on carbon offsetting by planting forests and other carbon sequestration solutions (nature-based solutions, carbon capture utilisation and storage, etc):

- Forestry and other ecosystems: While carbon in the atmosphere is long-lived, forests are not. Forestry and ecosystems are at risk (climate change impacts, land management, etc) and carbon stored in forests and ecosystems is not stable over medium to long timescales.
- Inaccurate modelling data: The ERP2 bases its modelling of carbon sequestration through forestry on significantly over-inflated tree planting numbers. The New Zealand Institute of Forestry has stated (18 July 2024) that the actual tree planting numbers this year are about half of what has been projected in the ERP2. For the plan to be credible, these numbers must be adjusted to reflect the actual number of trees being planted by the forestry sector.
- Carbon Capture Utilisation and Storage (CCUS): While Greater Wellington has no objection to CCUS being included in the policy ‘toolkit’, it is disingenuous to associate its investigation with a quantified emissions reduction, when investigation by itself will not lead to any emissions reductions. Also, carbon capture utilisation and storage is a highly speculative technology, which even if found to be scalable, will be costly. It is also very risky, because any failure could lead to a sudden and large-scale release of carbon into the atmosphere.

Minimal focus on equity, inclusivity or just transition

There is a notable lack of emphasis on equity, inclusivity and equitable transition in the ERP2. Yet we know from a large body of both international and New Zealand research that it will be our poorer and already disadvantaged communities that will be hit hardest by climate change. We can already see this playing out in our East Coast communities, such as Wairoa, where up to 60% of those affected by recent unprecedented flooding are uninsured.

The ERP2 also has a heavy emphasis on household consumer choices, such as switching to an electric vehicle, but this is only an option for our wealthier households. As mentioned in Chapter 12,

clarity around the steps Government will take to understand the distributional impacts of emissions reduction policies and the methods for reducing these impacts are important.

New Zealand is not well-placed for ‘world-leading climate innovation’

One of the five pillars of the Government’s climate strategy is ‘World-leading climate innovation is boosting the economy’. We agree that the New Zealand economy must diversify to encompass a much stronger science, innovation and research base. However, there is currently not enough investment from the Government into science, research and innovation. A 2021 report by the OECD found that New Zealand Government’s funding of research was only 0.29 percent of GDP, significantly less than the OECD average of 0.5 percent. We are also concerned about the recent budget cuts at GNS and NIWA, and the subsequent loss of climate science expertise, as both institutions are extremely important providers of climate science for Greater Wellington.

Greater Wellington does not believe that the current level of investment will allow Aotearoa New Zealand to become a country of ‘world-leading climate innovation’.

2 Feedback on system plans

2.1 New Zealand Emissions Trading Scheme

We agree that the New Zealand Emission Trading Scheme (NZ ETS) can be a strong tool to drive gross emissions reductions, noting that the current settings of the NZ ETS mean it has not achieved meaningful gross emissions reductions. Reducing gross emissions must be the first priority, only allowing for carbon removals to offset emissions from hard-to-abate sectors. Relying heavily on removals/offsets will delay people taking actions that reduce gross emissions, lead to higher cumulative emissions and push the burden of addressing gross emissions onto future generations. Most importantly, it risks us missing our targets and the opportunity to transition to a low-emissions economy.

Therefore, the NZ ETS needs to be strengthened, aligned with the emissions budgets and supplemented by complementary policies (and avoid the waterbed effect), for example, carbon cost border adjustment measure, policies to reduce the current stockpile, and a faster phase out of free industrial allocations. This will help reduce the uncertainty reflected in the performance of recent auctions.

Greater Wellington recommends the development of a more comprehensive range of complementary policies. For example in transport, buildings, and urban form sectors, there are various barriers such as high upfront capital costs, the lock-in of existing infrastructure and the lack of readily available or affordable low-emissions options. The NZ ETS by itself is also less likely to drive change in parts of industry where transformation at scale to entirely new technologies is needed.

Complementary policy positions to protect vulnerable populations. The suggestion in the discussion document that “the Government’s ‘climate dividend’ tax relief – continuing to return money from NZ ETS revenue to the hands of New Zealanders to meet additional costs related to climate change mitigation” is not a good example. While this reduces the distributional impacts, it nullifies the price signal and impacts the effectiveness of the NZ ETS as the key lever to reduce emissions. A better policy solution would be to use income from the NZ ETS to target support to households impacted by rising energy costs, and to electrify their households. Modelling from Rewiring Aotearoa demonstrates that targeted assistance schemes could resolve distributional impacts, achieve significant emissions reductions from household energy consumption, and lower living costs.

Moreover, we would like to highlight that regional and unitary councils may be landowners and as such have a vested interest in the NZ ETS. As an example, Greater Wellington owns carbon credits gifted to it by Government for our pre-1990 forests and, by borrowing against them, has implemented

a Low Carbon Acceleration Fund. This fund was established to accelerate the action required for Greater Wellington to meet its ambitious climate goals and has allowed us to implement an accelerated native forest and wetland restoration plan in our regional parks without significantly impacting rates. However, Greater Wellington finds itself in a position where this fund is currently not available for additional decarbonisation projects due to the current NZU price (\$51.50 at the end of July 2024).

Recommendations:

- Reform the NZ ETS to prioritise gross emissions reductions and align with emissions reduction targets.
- Carbon removals should only be used to offset emissions from hard-to-abate sectors.
- The NZ ETS needs to be strengthened.
- The development of a more comprehensive range of complementary policies.

2.2 Funding and financing climate mitigation

Overall, Greater Wellington agrees with Chapter 4 of the ERP2. We agree with the barriers identified as well as the ways to remove them. Note that even though Greater Wellington agrees that the NZ ETS can be a strong tool to drive gross emissions reduction, we do not think that the current arrangements will achieve meaningful gross emissions reduction (see Section 3.1).

We recommend the government re-establish ring-fenced funding from NZ ETS revenue, and fund local government to be a key delivery partner. We note that the regional sector has worked successfully with government in the recent past via the post-Covid 'shovel ready' projects and the Before the Deluge flood resilience funding.

Recommendations:

- Re-establish the ring-fenced funding for climate action from NZ ETS revenue.
- Invest in local government as a key delivery partner for climate action.

3 Feedback on selected sector areas of Plan

3.1 Energy

Greater Wellington stresses the need to transition as rapidly as possible from fossil fuels to renewable energy and supports all Government measures that will help to achieve this. However, Greater Wellington also cautions over the importance of ensuring that our energy supplies are used effectively and efficiently, co-ordinating measures to increase supply with measures to ensure its efficient use, including in buildings and infrastructure. Greater Wellington also supports measures to enable the development of small scale and community scale renewable energy generation to increase local security of supply and community resilience, while also reducing emissions.

Greater Wellington does not support reversal of the ban on offshore oil and gas exploration and requests that this is not pursued. From a practical perspective there is little the government can now

do to attract oil and gas exploration if opposition parties remain opposed (companies simply will not invest if in 3- or 6-years' time the rug will be pulled from beneath them). Cross-party agreement on this matter is required, rather than batting this issue backwards and forwards with every significant change of government.

Greater Wellington also requests that support for decarbonising industry is reinstated as an effective way to support business to make progress towards our emission reduction targets.

Recommendations:

- Government aids the transition from fossil fuels to renewable energy via conservation measures, demand management and distributed network generation.
- Do not pursue offshore oil and gas exploration.
- Support businesses and industries to decarbonise.

3.2 Transport

General

We are concerned at the shift away from the previous ERP's focus on initiatives supporting mode shift and reduction of vehicle kilometres travelled (VKT) towards the 'market-led' approach signalled throughout the ERP document. As is the case across all sectors in the ERP2, the transport section signals that the government will remove regulatory barriers and use the ETS to encourage private investment in the uptake of cleaner technology (in this case vehicles and fuels (p. 61)).

In addition, there are two key transport-specific policy measures:

1. Encouraging private investment and facilitating co-investment in public EV charging facilities (pp. 62-3).
2. Recommitting to the funding of five public transport projects in Auckland and Wellington.

It is our view that the lack of focus on mode shift from private vehicle to public and active transport is a missed opportunity, not only to tackle emissions at least cost (in the wider societal sense), but also to deliver on a range of co-benefits: health and wellbeing, improved air quality, less congestion, improved safety and provision of more affordable transport options.¹

The exclusion of land use and transport integration from the ERP2 is also a lost opportunity from the perspective of effective use of public funds. There is a growing body of evidence – both international and regional² – that compact urban form making use of existing infrastructure is much more affordable both for the public purse, and for households – because much less needs to be spent on travel to work, education and to access other services.

We are also concerned about the equity implications of a move away from offering more transport choice and mode shift. A heavy focus on the provision of EV charging infrastructure will only benefit those who can afford EVs, while removing subsidies for public transport and reducing funding for active transport (alongside other discontinued policies) means that there is little in this ERP for the

¹ We have developed a strongly evidenced, modelled pathway for doing this through our Regional Transport Emissions Reduction Pathway, which also details the broad range of co-benefits of this approach. Available from gw.govt.nz/assets/Documents/2024/06/WTERP-2024.pdf.

² [Greater Wellington — Report highlights savings of denser living \(gw.govt.nz\)](http://GreaterWellington—Reporthighlightsavingsofdenserliving(gw.govt.nz))

people who are struggling with the cost of living. We encourage the Government to consider transport choice for *all* New Zealanders – not just those able to afford to purchase an EV.

We note that a number of the Government's recent actions and commitments are at odds with the reduction of transport emissions and seek clarity about whether this has been factored into the projects. These include:

- The weakening of emissions standards under the Clean Car Importer Standards, which means that higher emitting light and commercial vehicles can be imported than would have been allowed under the previous standards. We note that average tailpipe carbon pollution from new cars entering New Zealand have already increased since the Clean Car Discount was scrapped, and this weakening of standards will further add to that pollution.
- The roll-back of locally determined safe and acceptable speed limit rules will increase deaths and injury of pedestrians and active transport users from road accidents,³ but will also increase transport emissions – both directly and indirectly. Directly, as higher speeds increase tailpipe emissions, and indirectly, because higher speed limits – especially in cities and towns – will discourage active transport due to perceptions that roads are unsafe – especially for children.
- The 15 proposed Roads of National Significance, proposed to be high-speed, 4-lane roads of expressway standard. To provide an accurate picture, it is our view that the ERP needs to include the modelling of projected emissions resulting from induced demand associated with these roads.
- In addition, a number of transport-related initiatives have been discontinued (Appendix 3) that supported mode shift and the reduction in VKT, which if followed through with implementation would have likely led to significant emissions reductions.
- As the Climate Emergency Response Fund has been discontinued and reallocated to other Government spending, there is now limited funding for regional and local government to pursue transport and other initiatives that reduce emissions.

Finally, it is our view that the Government should significantly increase its ambition to reduce transport emissions. NZ's transport emissions are fifth highest in world per capita, and our second highest source of emissions. ERP2 only models a 1% transport emissions decrease; this is insufficient. We see transport-related emissions as the low-hanging fruit of the emissions problem and are well-placed to work with Government to reduce them.

Public Transport

The Government Policy Statement on Land Transport 2024 (GPS 2024) noted:

The Government recognises that one of the action items in the current Emissions Reduction Plan (ERP1), prepared under the previous Government, refers to ensuring the next Government Policy Statement on Land Transport guides investment that is consistent with the emissions reduction plan. Following the general election and a change of Government in late 2023, the intended emissions reduction policies foreshadowed by the previous Government are being reassessed. For this reason, GPS 2024 has not undertaken the alignment exercise as anticipated in ERP1.

The GPS 2024 then notes the ERP2 will develop the specific mix of policies and initiatives aimed at achieving the second emissions reduction budget, and net zero target by 2050.

The specific policies and initiatives set out in ERP2 in terms of Public Transport are generally vague with no targets set out for Public Transport Authorities (PTAs) to aim for:

³ [Increasing speed limits defies the science - more deaths and pollution expected | PHCC](#); [Trauma surgeon says lifting speed limits will drive up deaths, injuries, traffic - NZ Herald](#)

- making better use of existing public transport infrastructure
- introducing new technologies to optimise public transport networks and services
- integrating transport investment with housing and land-use planning.

Greater Wellington believe the ERP2 needs to provide clear and well-defined strategic signals to Public Transport Authorities (PTAs) to ensure there is strong alignment between the Government’s emission reduction pathway and PTAs strategic priorities. It also needs to clearly identify the key role PTAs will need to play in helping to achieve the ERP2 goals for transport.

Greater Wellington welcomes the Government’s support for the decarbonisation of the public transport fleet and its recommitment to the funding of \$44.721 million over four years to help decarbonise the public transport bus fleet. However, we wish to emphasise that additional funding from central government will be needed to help us achieve our current commitment to electrify our bus fleet. Greater Wellington’s aim is to decarbonise our core bus routes (be 100% electric) by 2030 with the remaining routes by 2035. This will help us achieve our goal of 60% reduction in public transport emissions by 2030. The reduction in public transport emissions will help improve air quality in public transport corridors that have a high volume of buses operating on them (e.g. the golden mile in the Wellington CBD).

We welcome the identification of upgrades to rail in the lower North Island, and the recent government funding commitment to this project. However, we note there is a significant opportunity to further leverage emission reduction through public transport investment in Wellington, particularly along core strategic bus corridors where a large proportion of the region’s housing growth is expected to be focused.

Recommendations:

- Strengthen the emphasis on mode shift from private vehicle to public and active transport as the true ‘least-cost’ approach. This is also more equitable than the sole focus on public charging for electric vehicles which are affordable for the majority of New Zealanders.
- Strengthen the recognition of urban form as a critical pillar of reduced transport emissions over the long term, noting that done well it also saves money on infrastructure spend.
- Align all Government policies to reduce emissions from transport.
- Reinstate a dedicated fund to support emissions reductions, including but not limited to transport.
- Strengthen and clarify policies, initiatives and strategies for Public Transport Authorities regarding public transport.
- Greater Wellington welcomes the government’s support for the decarbonisation of the public bus fleet but increased central government funding will be required to enable Metlink to achieve this.

3.3 Agriculture

Greater Wellington recommends that the Government supports the agriculture sector to reduce their greenhouse gas emissions whilst achieving co-benefits. This can be done via farm planning, innovative land management techniques and research and development. We support Government’s ambition for world-leading innovation and provision of the tools and technologies to accelerate the transition to a low-emissions sector (p.71).

We encourage the Government to continue to work with the agriculture sector to seek a reduction in gross greenhouse gas emissions, recognising the large proportion of national emissions contributed by this sector. If there is no reduction from this sector, then higher emission reductions will be required from other sectors. This compromises Aotearoa New Zealand's opportunity to meet its 2050 targets while also risking international market access for our agricultural products.

Farm plans

Aligned with Government's provision of support to producers to make changes, Greater Wellington will work with farmers and growers to increase farming practices that help reduce emissions and increase resilience to produce food that is climate-friendly and is of high value. As part of this, we encourage all forms of land use optimisation and advocate for investment and attraction of synergistic opportunities to our region to lower emissions, which include agri-tech, biotech, and other hub opportunities for processing and manufacturing goods.

Greater Wellington supports the standardisation of the estimation of farm level emissions (p.72).

Greater Wellington also recommends the Government to align requirements for freshwater farm plans and farms' emissions management plans to avoid confusion and increase efficiency.

Land management

Greater Wellington agrees that highly productive land must be protected from excessive permanent exotic afforestation. We encourage the Government to further investigate promoting mosaic restoration landscape schemes to maximise land use within the agricultural sector and enable the sector with further opportunities to invest in the indigenous restoration of low value farmland for carbon capture and biodiversity benefits.

Research and development

Within Government's proposed extension services, we encourage the Government to fund the development of a collaborative national knowledge hub that will enable local government, farmers, and other parties to stay abreast of the latest research and extension information to support change at a local level in an efficient and effective manner. We also note the importance of retaining a high-quality science sector to support this work.

The sort of information that we consider would be valuable is set out in a key method in the Wellington Regional Policy Statement. It includes a targeted climate change extension programme, providing practical and easily accessible information on projected climate change impacts at a local level. For example, supplying base data to support the development of farm greenhouse gas emission profiles and identifying appropriate areas and species for tree planting/natural regeneration in farm plans as part of implementing the regional spatial forest plan. Greater Wellington looks forward to coordinating these efforts between central and regional government.

Recommendations:

- Require that farm plans focus on freshwater quality and greenhouse gas reduction (co-benefits).
- Further investigate promoting mosaic restoration landscape schemes maximising land use within the agricultural sector.
- Protect highly productive land from excessive permanent exotic afforestation.
- Fund the development of a collaborative national knowledge hub and work closely with the regional council sector to support farmers and growers.

3.4 Forestry and wood processing

Regional councils may be land managers as well as environment managers. For Greater Wellington, providing positive environmental outcomes for the land we manage is highly important. Moreover, environmental outcomes often linked to other positive outcomes (resilience towards climate hazards, enhanced cultural and social values, etc).

Removals will play a decisive role in achieving Aotearoa New Zealand's Nationally Determined Contributions but should not come at the expense of efforts to reduce gross emissions. Removals should only cover the portion of hard-to-abate emissions. It is important that incentives for removals be broadened to incentivise removals by a wider range of ecosystem types, with co-benefits for indigenous biodiversity, climate adaptation and resilience.

We note that the ERP2 projects that 'based on current trends, increases in indigenous afforestation will make only a minor contribution to New Zealand's climate commitments' (p.77), and that native forests can provide long-term carbon sink and co-benefits' (p.80). Given the multitude of benefits from native afforestation we recommend that in addition to enabling private investment, Government creates additional incentives and commits public funding to these efforts.

Greater Wellington is concerned about social, environmental and economic impacts of carbon forestry taking up valuable farmland, and the threat that carbon forests could someday be cleared or damaged and thereby cause a wide range of negative impacts. We are particularly concerned about the impact of widespread and unplanned exotic forestry on our rural communities and our ability as a region to produce food.

Greater Wellington encourages the Government to consider the impacts that monoculture forests hold to the wider landscape. Although sequestering carbon over time, these plantations create biodiversity deserts and limit the movement of species through the landscape. We encourage the Government to further investigate the impact pest animals (specifically possums and feral ungulates) have on carbon emissions and undertake a cost benefit analysis of removing pest animals from forest landscapes.

Greater Wellington supports the proposals to restrict pine forest on highly productive agricultural land. Regulations are also needed to protect the best land for food production from being converted to other uses like forestry, industry and housing. We also support initiatives to enable more local processing and utilisation of timber products - this is important for both reducing emissions and increasing local resilience.

Greater Wellington recognises that significant afforestation, using both indigenous forests and exotic forests (right tree, right place approach), is required to meet New Zealand's climate change targets. However, indigenous forests can continue to sequester carbon for hundreds of years and provide a range of associated ecosystem, cultural and social benefits. Creating the right conditions for large-scale native planting is challenging. More needs to be done to enable and incentivise establishment and regeneration of native forests, and fund critical browser pest control. This is likely to require funding, research, and policy interventions beyond the NZ ETS. Regional councils rely on partnerships with private landowners and investors to deliver planting programmes: if native reforestation is to occur on a significant scale, it needs to be made financially viable, which is likely only to be possible through significant public subsidies or direct investment.

Māori have a wide range of interests linked to the NZ ETS (e.g. forestry for its economic value on Māori land and providing employment). Our mana whenua/tangata whenua partners have also told us that they would like to see the ETS drive an increase in indigenous forest and protection of other ecosystems, in particular wetlands. Therefore, it is of major importance that the New Zealand Government upholds its Te Tiriti obligations and meaningfully engages with Māori to carefully manage potential impacts of the NZ ETS in the short, medium and long-term. Greater Wellington

also recommends co-designing the changes to the NZ ETS with Māori to better provide for their interests.

Preparation of a regional forest spatial plan is a key method in the Wellington Regional Policy Statement. It will be designed to increase the area and health of permanent forest in the region, preferably indigenous forest, maximising benefits for carbon sequestration, indigenous biodiversity, land stability, water quality, and social, cultural and economic well-being. Greater Wellington seeks support from the ERP2 to fund implementation of this, such as through alignment with the ETS and funding through carbon pricing.

Recommendations:

- Carbon removals must be a second priority to reducing gross emissions and should only be used to offset emissions from hard-to-abate sectors.
- We encourage the Government to robustly analyse the flow on costs of permanent exotic plantations in the ERP2
- Provide incentives that support the strategic establishment and maintenance of “right tree-right place”, with settings that prioritise permanent indigenous forest.
- We support proposals to restrict permanent exotic forestry on highly productive agricultural land.
- We support initiatives to enable more local processing and utilisation of timber products.

3.5 Non-forestry removal activities

Greater Wellington encourages the Government to add other ecosystems, such as wetlands and coastal ecosystems (e.g., saltmarshes and mangrove swamps), to the NZ ETS, if the emissions removals can be estimated with reasonable accuracy, and provided the methane emissions from wetlands are adequately recognised (p.85).

Healthy natural ecosystems, such as wetlands, also provide significant co-benefits, especially for the indigenous biodiversity, but also cultural benefits for Māori, and can provide resilience to climate change and natural hazards.

Recommendations:

- Support research into opportunities for emissions reductions provided by nature-based solutions, recognising the multiple-benefits including for biodiversity and community resilience.
- Provide support and seek new sources of funding (including leveraging novel sources of funding, e.g. from industry/companies), to incentivise or implement programmes that protect, enhance or restore priority ecosystems for their indigenous biodiversity values and/or their contribution as nature-based solutions to climate change.
- Recognise that successful establishment of new and restoration of indigenous ecosystems and other types of carbon forestry will require accompanying investment in pest control.

3.6 Waste

Greater Wellington supports and encourages the efficient use and conservation of resources to reduce emissions by the following measures and seeks ERP methods to support this:

- applying the 5 Rs (Reduce, Reuse, Recycle, Recover, and Residual waste management),
- reducing organic waste at source from households and commercial premises,
- increasing the diversion of wastewater sludge from wastewater treatment plants before deposition to municipal landfills,
- encouraging efficient municipal landfill gas systems,
- increasing the proportion of energy generated and used from renewable sources,
- using water and energy efficiently, and
- conserving water and energy.

Greater Wellington seeks that the waste hierarchy and measures to implement the concept of a circular economy be reinstated as key pillars of the ERP2, including requirements such as “right to repair” and reduction of hard to recycle materials.

Recommendation:

- Reinstatement of the waste hierarchy and measures to implement the concept of a circular economy.

3.7 Giving effect to the principles of te Tiriti o Waitangi in the ERP2

The short consultation period for the ERP2 means Greater Wellington is unable to engage meaningfully with mana whenua of the Wellington Region.

When Greater Wellington invited submissions to the Wellington Regional Policy Statement in 2023, five of our six mana whenua partners contributed. They expressed unanimous support for greenhouse gas emissions to be reduced significantly, immediately and rapidly.

We recommend that Government partner with mana whenua / Māori directly to ensure the distributional impacts of emissions reductions policies are fully explored before the conclusion of the ERP2. Resourcing mana whenua to undertake this engagement will be necessary.

Recommendation:

- We support the Government to resource mana whenua / Māori to partner in the development in the final ERP2.

3.8 Adaptation

We appreciate the existing initiatives to support sectors to understand and manage climate risks. We agree that it is important that efforts to reduce emissions must also consider the impacts of climate change to maximise potential co-benefits; avoid maladaptation and enable win wins for emissions reductions and resilience initiatives (p.95). We also support the considerations in Table

11.2 and suggest that there are likely deeper interdependencies to be worked through in order to deliver a low carbon, climate resilient response to climate change.

A significant barrier to managing climate risks through the ERP2 is the dependence on permanent exotic plantations. Without a policy of ‘right tree, right place’ as discussed in Section 4.4, locking land in perpetuity for carbon forestry, unless native, is likely to weaken the resilience of the land area to climate impacts. Table 11.2 acknowledges the impacts of climate change on tree growth (via extreme weather, drought conditions and changing seasonality) which adds to the uncertainty and vulnerability of relying so heavily on forestry sequestration for achieving the emissions budgets. As mentioned, Government also needs to be aware of changing pest species affecting forestry.

The lack of a focus on urban form and transport in the ERP2 also is a barrier to managing climate risks. If local government is enabled and incentivised to develop urban centres where communities can easily access what they need to live, work and play, this will build self-sufficiency and resilience to extreme weather events. Spatial planning, such as undertaken through the National Policy Statement for Urban Development Future Development Strategies creates an opportunity to align low carbon and climate resilient urban form.

Greater Wellington have initiated risk assessments and adaptation planning processes to improve our understanding of our organisation’s and region’s exposure to climate change. In general, local government and communities are operating in a low or no information environment when it comes to understanding the impacts and risks from climate change and climate hazards. When surveyed by the Ministry for the Environment in 2023, councils from across Aotearoa New Zealand identified that climate risk explorer tools for decision-makers and communities were their priority need from central Government. We recommend Government increases its investment in climate science and research and has processes to ensure that local government, central government and crown research institutes collaborate to make the most of such investments.

Recommendations:

- Clarify the process for understanding the interdependencies of emissions reduction activities and building climate resilience, and how agencies will integrate this cross-Government decision-making.
- Calculate the potential costs associated with the high dependency on permanent exotic forestry plantations under a changed climate to robustly assess the scale of the risk of this being the central focus of the ERP2.
- Introduce a section on the role of urban form in reducing emissions and building climate resilience, including a focus on regional spatial planning and other policy measures.
- Increase investment in climate change research and science and ensure there is a high level of collaboration between central and local government and crown research institutes.

4 In conclusion

Thank you for the opportunity to submit on the draft ERP2. We applaud the Government for completing this important first step to developing a pathway for the next budget period and beyond to 2050. However, as noted in our feedback, it is our view that the ERP2 falls short both in terms of its actions, but also in terms of its failure to meet New Zealand’s national and international goals. We urge the Government to take on board our feedback and strengthen the ERP to allow New Zealand to

meet its international climate obligations and to be better positioned, economically, socially and environmentally, to meet the challenges to come.

Ngā mihi nui,

A handwritten signature in black ink, appearing to read 'P. Gaylor', written in a cursive style.

Penny Gaylor

Chair, Climate Committee