

16 July 2019

Committee Secretariat
Environment Committee
Parliament Buildings
Wellington

via email to: zerocarbon@parliament.govt.nz

Dear Committee Secretariat

Submission on Climate Change Response (Zero Carbon) Amendment Bill 2019

1. Hawke's Bay Regional Council (HBRC) makes this submission on the Climate Change Response (Zero Carbon) Amendment Bill 2019 (the Bill).
2. HBRC wishes to speak to this submission.

Background

3. Our region spans over 1.42 million hectares of land area and 350kms of coastline on the North Island's East Coast, and has a population of some 166,000 people. We are at the frontline of local community efforts to adapt to both the challenges and opportunities that our changing climate presents.
4. Aspirational, yet realistic emissions reduction targets will be important in guiding that region-wide response. We note that in our Strategic Plan, Hawke's Bay aims to be carbon neutral by 2040 (10 years ahead of the national 2050 target), and has identified a number of measures to achieve that goal. Our 2018-28 Long-Term Plan gives effect to this goal through projects which have climate change benefits, such as for coastal and river defence systems, as well as through leadership on climate change and innovations on behalf of the Hawke's Bay community. But HBRC cannot achieve the regional carbon neutral 2040 goal without the support of Government, businesses and the community.
5. Last month, HBRC formally declared a climate emergency, recognising global warming to be an urgent and pervasive threat to human and ecological wellbeing, and identified a number of actions to better respond to this threat.

Submission Summary

6. HBRC, as a member of Local Government New Zealand (LGNZ), **generally supports the comprehensive submission by LGNZ** on the Consultation Document, **with the exception of reform to the Resource Management Act (RMA)**, which HBRC requests is amended to include regard to greenhouse gas emissions in consent decision-making.
7. HBRC also **supports the submission of Napier City Council** on the Consultation Document, as genuine and timely responses to climate change adaptation and mitigation are necessary by both central and local government.

8. HBRC submits that it is highly likely that **further regulatory reform** will be necessary to enable local government and their communities to be suitably prepared for a changing climate future, and that this **should be clearly signalled** as early as possible.

Submission Detail

9. The following points supplement LGNZ's submission:
- a) HBRC **supports development of the Zero Carbon Bill** as an important step for Government re-engaging with communities and directing actions across multiple agencies on climate change mitigation and adaptation.
 - b) HBRC **supports** the Government's proposals insofar as they would introduce **clear, coherent and coordinated national policy** on climate change mitigation and adaptation.
 - c) HBRC **submits** that it is **vital that Government provides leadership on adaptation as well as mitigation**, and that this should better empower the regions, cities and districts to provide the necessary support for community adaptation (and mitigation) initiatives.
 - d) HBRC **requests urgency from Government in working with local government to clarify requirements with respect to the emissions reduction plan, national adaptation plan, local and regional risk assessments feeding into the national risk assessment, and subsequent monitoring and reporting.**

Under Section 5U, the Minister must ensure that the net budget emissions do not exceed the emissions budget for the relevant emissions budget period, and this budget must be met, as far as possible, through domestic emissions reductions and removals (Section 5W).

While the emissions reduction plan requires a strategy to mitigate the impacts of reducing emissions on workers, regions, iwi and Maori and wider communities (under Section 5ZD), there is no direct linkage with or requirement to address the alignment of climate change initiatives within and between government agencies and local government.

By inference from Section 5ZV, the Minister expects local authorities and council-controlled organisations (amongst other entities) to have assessed the effects of climate change on their organisation and to have made plans to address those effects, yet there is no requirement for local government to do such work in this Bill.

HBRC is at the point of developing a comprehensive programme of work in response to climate change, including community engagement, monitoring regional greenhouse gas emissions and reporting on that regional response. For this work to be undertaken effectively and efficiently, the regional programme should fit within the national direction. For example, if the World Resource Institute's *Global Protocol for Community-scale Greenhouse Gas Emissions* (2014) is to be the standard for monitoring and data collection, this should be specified sooner rather than later.

- e) HBRC **requests clarification of the consequences of not meeting the interim targets set for the reduction of greenhouse gas emissions, or any reporting requirements.** In its draft form, the only penalties that can be deduced would be for local government failing to report against as yet unknown specific matters. There appears to be no compulsion on Government to take action with respect to climate change, as there are no court remedies for breaching the 2050 target or emission budgets other than a court declaration. Such a low-consequence law is unlikely to spur agencies or individuals to make necessary changes.
10. Further, HBRC also **requests**:
- a) Taking the issue in isolation, in setting any transitional targets, the primary sector agricultural emissions transitional targets should be aligned with other sectors. However, given the scale and

breadth of impending Essential Freshwater Reform and corresponding impacts, **the primary sector agricultural emissions transitional targets should enable a more gradual transition than for other sectors.** There are significant impacts for rural businesses and communities in mitigating effects through both reform pathways. A more gradual transition will enable rural communities to identify and harness opportunities, and more readily adapt to climate change with support from appropriate technology, innovation and Government support.

- b) **S104E of the RMA is amended to enable consent authorities to have regard to the effects of greenhouse gas emissions on climate change** (including both benefits and costs). As currently worded, this specific exclusion makes it difficult to address the cumulative and long term nature of adverse effects of greenhouse gas emissions through resource consenting, including for significant point source discharges, or for incentivising beneficial change. If the Government is committed to transitioning to a zero carbon economy, then this amendment should be made as part of that transition.
- c) **Guidance to enable a consistent approach for decision-makers to take with respect to climate change and its potential impacts across all dimensions of work.** HBRC has already resolved to include climate change as a primary factor for consideration in its decision-making processes. However, there is no best practice advice available on how to do this, or on how to align local decision-making with emerging national directions on climate change.

HBRC echoes the Productivity Commission's comment: 'the challenge is therefore how best to design political and governance architecture in a way that effectively signals future policy intentions and provides a commitment to those intentions' (*Low Emissions Economy*, 2018, page 3).

- d) **Other legislation is reformed as necessary, and further resources are made available, to enable local government to better mitigate and adapt to the cumulative impacts** of climate change and greenhouse gas emissions. For example:
- i) Government should **prioritise removal of legislative barriers which unnecessarily impede the development and application of technologies and processes** which will have a positive impact on achieving the zero carbon target. A prompt response by Government to needed legislative reform will send the correct message to the nation that speed of response is essential in averting worse longer term outcomes for our people and communities.
 - ii) As requested above, the difficulty in effectively addressing greenhouse gases in consenting processes should be addressed in reform to the **RMA**.
 - iii) **Local government should be instructed NOT to authorise future urban development on at-risk land.** Subdivisions, if already approved for areas now known to be at risk of adverse climate change impacts, cannot be reversed. It is very difficult to stop subsequent housing once such a residential subdivision has been approved. Further, there are tensions with requirements under the **National Policy Statement for Urban Development Capacity (NPS-UDC)** to ensure provisions of sufficient land for commercially feasible development capacity. Without the NPS-UDC directly addressing issues around climate change, natural hazards and the changing risk profile over time, housing developments will continue to proceed in areas at risk over the longer term with respect to climate change. This is a particular concern for residentially-zoned coastal development around Hawke's Bay and for parts of Napier.
 - iv) Adaptation plans should address management of areas at risk from climate change (including low-lying coastal areas, as well as flood-prone and slip/erosion-prone areas). For such adaptation plans to be useful, other legislation, such as the **Local Government Act** (which requires an Infrastructure Strategy forecasting at least 30 years for stormwater drainage and flood protection and control works; as well as setting out requirements for management of solid waste) and the **Building Act** (which sets minimum floor level standards for 1:50 year flood events for housing), may need amendment to recognise the impacts of climate change over the anticipated whole life of the assets.

- v) There are insufficient incentives to transition to low emission vehicles, including for public transport, under the **Land Transport Management Act**. HBRC notes current Government proposals regarding car emission standards and to incentivise the uptake of e-vehicles as steps in the right direction.

Conclusion

11. Thank you for the opportunity to provide feedback on the Zero Carbon Bill. Setting a clear target in law will provide much needed certainty and clarity of direction. Care still needs to be taken in setting the emissions reduction target and interim targets to ensure our rural and vulnerable communities are capable of meeting the challenge with support from Government. Expectations for local government should also be clear and resourced, enabling consistent, bottom-up reporting, and for regional and local mitigation and adaptation responses to build into the national response. We look forward to working with Government on this critical matter.

Yours sincerely



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