# Proactive Release Date: 23 December 2021

The following Submissions have been proactively released by the Minister of Climate Change:

Title	Date
Agreement to Join the 'Global Methane Pledge'	14 October 2021
Agreement to Join the 'Beyond Oil and Gas Alliance'	21 October 2021
COP26: Proposed New Zealand Announcements	21 October 2021
COP26: Proposed New Zealand Announcements: Second tranche	29 October 2021
Agreement to Join the COP26 Women's Leadership Initiatives	3 November 2021

Some parts of these Submissions are not appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the OIA). Where this is the case, the relevant sections of the OIA that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key OIA redaction codes:

- 6(a): to avoid prejudicing the international relations of the New Zealand Government
- 6(b)(ii): to protect the passing of information from an international organisation on a basis of confidence
- s9(2)(a): to protect the privacy of natural persons
- 9(2)(g)(i): to protect the free and frank expression of opinions by the public service
- 9(2)(j): to carry on, without prejudice or disadvantage, negotiations.



14 October 2021

Minister of Climate Change

For action by

18 October 2021

# Agreement to Join the 'Global Methane Pledge'

BRIEFING Decision Submission

PURPOSE This submission seeks agreement and concurrence for New Zealand to join the Global Methane Pledge.

# Tukunga tūtohua – Recommended referrals

Minister of Energy and Resources	For concurrence by	25 October 2021
Minister of Research, Science and Innovation	For concurrence by	25 October 2021
Minister for the Environment	For concurrence by	25 October 2021
Minister of Agriculture	For concurrence by	25 October 2021

# Taipitopito whakapā – Contact details

NAME ROLE Anna Broadhurst Acting Divisional Manager DIVISION Climate Change Division WORK PHONE s9(2)(a)

# Mā te Tari Minita e whakakī – Minister's Office to complete

Approved	Noted	Referred
Needs amendment	Declined	Withdrawn
Overtaken by events	See Minister's notes	
Comments		



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# Agreement to Join the 'Global Methane Pledge'

# Pito matua – Key points

- New Zealand has been invited by the United States and European Union to join the Global Methane Pledge (text attached as annex 1). The Pledge is an initiative to reduce global methane emissions, to be launched at COP26 in November.
- The Pledge was announced on 18 September. Countries that have already indicated their support for the Global Methane Pledge account for over one-fifth of global methane emissions, nearly half of the global economy, and include 6 of the top 15 methane emitters globally. These countries are:
  - Argentina
     European Union
     Ghana
  - Indonesia
     Iraq
     Italy
  - Mexico
     United Kingdom
     United States
- The commitments in the Pledge (set out in paragraphs xvii-xxv of the annex) fall into 4 principal themes:
  - Collective target to work to reduce global methane emissions by at least 30 percent by 2030;
  - Domestic action supporting achieving that collective target, 'focusing on standards to achieve all feasible reductions in the energy and waste sectors and seeking abatement of agricultural emissions through technology innovation as well as incentives and partnerships with farmers.'
  - Transparency and science to improve quantification of methane emissions and maintain publicly available information on policies and commitments.
  - Support existing international methane emissions reduction initiatives such as the Climate and Clean Air Coalition and International Methane Emissions Observatory.
- Of the commitments in the Pledge, the one that will attract the most attention is the collective commitment to work towards reducing global methane emissions by 30 percent by 2030. The Pledge does not require an individual country to deliver a 30 percent reduction itself, however. The Pledge also recognises that different sectors have different mitigation potential. It posits the energy sector, globally, as the sector with the most potential for immediate, low-cost emissions reductions e.g. through targeting methane leaks and venting.

We recommend that New Zealand join the Global Methane Pledge to advance our objective of encouraging ambitious global mitigation action. MBIE, MPI, and MfE support this recommendation which is based on the following considerations:

- New Zealand is dependent upon effective global climate action. The Pledge is directly aimed at limiting the temperature rise to 1.5 degrees.
- New Zealand has a national interest in others taking ambitious action on methane (particularly agricultural emissions). The Pledge has the potential to reinforce the

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### Agreement to Join the 'Global Methane Pledge'

need for others to take action on agricultural emissions, amongst other sources of methane.

- The Pledge focuses on global emissions. While New Zealand is unlikely to reduce its domestic methane emissions by 30 percent by 2030, we are taking substantial action across many areas covered by the Pledge. This provides another channel through which to leverage our experience. For example, relating to science, taking action in hard to reduce sectors, and our efforts to reduce agricultural methane emissions (e.g. the pricing of agricultural emissions from 2025).
- While the Pledge focuses on global emissions, it may seen as reflecting participating countries' domestic policy ambitions. This means:
  - i) Not joining the Pledge would risk reinforcing a perception, of some international stakeholders, that New Zealand's split-gas 2050 target is a form of "soft" treatment compared to the net-zero targets of many countries.
  - ii) The Pledge may become seen as a litmus test for climate ambition in key agricultural export markets. It is in our interests for New Zealand to be recognised as part of the solution, and for the hard climate mitigation work and world firsts of our agricultural sector to be acknowledged.
  - iii) There is potential for international cooperation, and for New Zealand to leverage comparative advantage if the Pledge either: 1) drives greater global action to reduce agricultural emissions; or 2) raises awareness of the benefits of emissions efficient production.

Victoria Hallum For Secretary of Foreign Affairs and Trade

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# Agreement to Join the 'Global Methane Pledge'

# Tūtohu – Recommendations

It is <u>recommended</u> that you:

	<u>aller</u> that your		
1	<b>Note</b> New Zealand has been approached to Pledge;	join the Global Methane	Yes / No
2	Agree to New Zealand joining the Global M	ethane Pledge;	Yes / No
3	<b>Agree</b> to New Zealand announcing its pa COP26;	articipation in this initiative at	Yes / No
4	<b>Refer</b> a copy of this submission to the Minis Minister of Research, Science and I Environment, and Minister of Agriculture for	nnovation, Minister for the	Yes / No
		C CI	
	James Shaw ster of Climate Change	SO	
Date	: / /		
For a	concurrence:		
Minis Minis	Dr Megan Woods ster of Energy and Resources ster of Research, Science and Innovation	Hon David Parker Minister for the Environment	
Date		Date: / /	
	Damien O'Connor ster of Agriculture		
Date	. / /		

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# Agreement to Join the 'Global Methane Pledge'

# Pūrongo – Report

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1. This submission has been developed in collaboration with MBIE, MfE and MPI.

### The Global Methane Pledge

- New Zealand has been invited by the United States and European Union to join the Global Methane Pledge (text attached as annex 1). The Pledge is an initiative to reduce global methane emissions, to be launched at COP26 in November.
- 3. There is a recognised need for significantly more global action to keep the goal of limiting the temperature increase to 1.5 degrees within reach. Reducing methane emissions (a short lived gas) is complementary, and not a substitute, to reducing emissions of long lived greenhouse gases. Reducing emissions of short lived gases is seen as important because of their relatively quick impact on temperature, however. The Pledge also responds to the low-hanging fruit e.g. negative or low cost opportunities to address methane that exist globally.
- 4. The Pledge was announced on 18 September. Countries that have already indicated their support for the Pledge account for over one-fifth of global methane emissions, nearly half of the global economy, and include 6 of the top 15 methane emitters globally. These countries are:
  - Argentina
     European Union
     Ghana
  - Indonesia
     Iraq
     Italy
  - Mexico
     United Kingdom
     United States
- 5. The Pledge recognises that methane mitigation potential is different across countries, regions and sectors and that the energy sector (globally) has the greatest potential for targeted mitigation by 2030. Energy, agriculture and waste are the three principal methane-emitting sectors.
- 6. The commitments in the Pledge (set out in paragraphs xvii-xxv of the annex) fall into four principal themes:
  - Collective target to work to reduce global methane emissions by at least 30 percent by 2030;
  - **Domestic action** supporting achieving that collective target, 'focusing on standards to achieve all feasible reductions in the energy and waste sectors and seeking abatement of agricultural emissions through technology innovation as well as incentives and partnerships with farmers.'
  - **Transparency and science** to improve quantification of methane emissions and maintain publicly available information on policies and commitments.
  - Support existing international methane emissions reduction initiatives such as the Climate and Clean Air Coalition and International Methane Emissions Observatory.

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## Agreement to Join the 'Global Methane Pledge'

#### Methane and New Zealand

- 7. The collective target in the Pledge is to reduce global methane emissions by at least 30 percent below 2020 levels by 2030. Some stakeholders may be worried about what the Pledge means in New Zealand.
- 8. In 2019 New Zealand's methane emissions were 34.6 Mt CO<sub>2</sub>e, 42 percent of New Zealand's total emissions. The agriculture, waste, and energy and industry sectors' respective contributions to this were 88, 9 and 2 percent of this total.
- 9. New Zealand's existing emissions reduction targets cover methane.
  - The Nationally Determined Contribution (our Paris Agreement emissions reduction target) is an economy-wide all-gases target, with a headline reduction of 30 percent below 2005 levels by 2030
  - New Zealand's domestic 2050 target is for: biogenic methane to be 24-47 percent below 2017 levels by 2050; and all other gases to be net zero by 2050.
  - New Zealand also has a target to reduce biogenic methane emissions to 10 percent below 2017 levels by 2030.
- 10. The domestic emissions budgets required under the Climate Change Response Act (2002) cover all gases, including methane. The emissions reduction plan will include (amongst other things) chapters on agriculture, waste, energy and industry, and research, science and innovation.

### Analysis

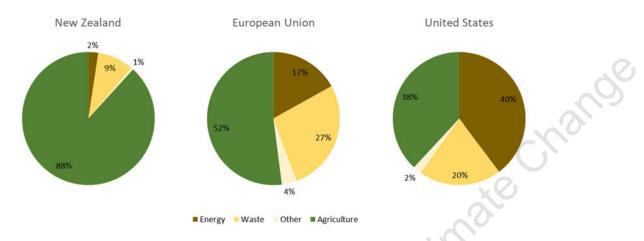
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#### **Collective target**

- 11. Of the commitments in the Pledge the one that will attract the most attention is the collective target.
- 12. The Pledge recognises that different countries, regions and sectors have different mitigation potential. The Pledge recognises that the energy sector has the greatest potential for targeted mitigation of methane emissions by 2030 globally. New Zealand's methane emissions profile is different from the initiative's leaders, the EU and US, however. These countries have significantly more methane emissions from the energy and waste sectors.

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# Agreement to Join the 'Global Methane Pledge'



#### Figure 1 Methane emissions from New Zealand, the European Union, and United States

- 13. The collective target to work together to reduce global emissions does not imply an obligation on individual parties to the Pledge to reduce their methane emissions by 30 percent. It may be taken by some stakeholders to mean this, however. Avoiding this will require clear Government communications regarding the Pledge.
- 14. Domestically, New Zealand's all-gases emissions budgets and 2030 target to reduce biogenic methane emissions by 10 percent on 2017 levels are unlikely to lead to a 30 percent reduction in domestic methane emissions by 2030. The Pledge, however, is about reducing global methane emissions. We assess the combination of our domestic and international efforts on methane can make a meaningful contribution to meeting the goals of the Pledge.

#### **Domestic action**

15. New Zealand is taking domestic action on methane emissions across the energy, waste, and agricultural sectors. In terms of comprehensive domestic actions:

#### Agriculture

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- He Waka Eke Noa the Primary Sector Climate Action Partnership is working to develop a system for measuring, reporting and pricing agricultural emissions (from biogenic methane and nitrous oxide) by 2025.
- New Zealand has domestic emissions reductions targets for biogenic methane of a 10% reduction below 2017 levels by 2030, and a 24-47% reduction below 2017 levels by 2050.
- New Zealand has a dedicated greenhouse gas inventory research fund aimed at improving the accuracy of New Zealand's estimated emissions from agriculture, forestry and other land use.
- The first economy-wide Emissions Reduction Plan (ERP) will set out the Government's policies and strategies for how it will meet emissions budgets. The proposed content for the agriculture chapter, which is being currently consulted on, includes work already underway such as He Waka Eke Noa, investment in agriculture greenhouse gas emissions research and Integrated Farm Planning. It states that more will be needed to reduce agricultural emissions in line with emissions budgets and domestic targets. It signals new work under consideration to accelerate

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## Agreement to Join the 'Global Methane Pledge'

mitigation technologies and expand extension services, both of which are key enablers for reducing emissions. Other potential actions will be considered alongside progress through He Waka Eke Noa and informed by the outcomes of public consultation.

 New Zealand invests significantly, through the New Zealand Agricultural Greenhouse gas Research Centre (NZAGRC) and the Pastoral Greenhouse Gas Research Consortium (PGgRC), into the development of technologies to mitigate agricultural emissions. This includes researching livestock methane inhibitors, the methane vaccine programme, and breeding low emissions animals.

#### Energy

- Fugitive emissions in the energy sector contribute a small percentage to New Zealand's total methane emissions. These emissions are from the coal, oil and gas, and geothermal sectors. In the global context reducing methane emissions from energy is straightforward, but in New Zealand it is hard to do cost effectively due to a small amount of emissions and their being dispersed across three sectors – which would require targeted interventions.
- Work to address fugitive methane emissions in New Zealand includes:
  - Geothermal private companies are investigating ways of utilising carbon capture and storage, and carbon capture and reinjection to reduce emissions from their most high emitting geothermal fields.
  - Oil and gas there are economic incentives for the industry to minimise emissions, as these lead to less production of fuel. Fugitive emissions from equipment leaks are address through regulations administered by Worksafe.
  - Coal current estimates of fugitive emissions from coal are likely to be inaccurate – the inventory of coal mines used was produced over 100 years ago, and contains a number of mines which are inactive in releasing emissions. MBIE is currently undertaking work to update this inventory.
- As 97 percent of New Zealand's energy emissions come from carbon dioxide, the energy and industry component of the emissions reduction plan has a focus on targeting carbon dioxide emissions.

#### Waste

- The Emissions Reduction Plan (ERP) consultation document released 13 October also set out the Government's proposal for waste emissions reduction.
- This includes proposals that collectively, and if implemented without delay would largely meet the Climate Change Commission's proposed target for waste biogenic methane emission reductions of at least 40% by 2035 (~30% by 2030).
- The proposals include:
  - o behaviour change initiatives to reduce waste generation;

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# Agreement to Join the 'Global Methane Pledge'

- diversion of organic waste streams from disposal to resource recovery, including (but not limited to) food waste, green waste, paper waste and construction and demolition waste;
- o improvements in landfill gas capture systems;
- o improvements in national waste data.
- The proposals also signal the potential for organic waste disposal bans by 2030 if needed. While the proposals are ambitious, we expect that the current consultation and future emissions reduction planning processes will also provide further opportunities for reducing waste emissions.

#### Transparency and science

- 16. The Pledge contains a number of statements about the need to improve data and quantification of methane emissions. We consider that New Zealand is world leading with regard to its quantification of the majority of its methane emissions from the agricultural sector. New Zealand has been committed to continual improvement of its greenhouse gas inventory, and improving the transparency, accuracy, completeness, comparability and consistency of emissions data.
- 17. New Zealand undertakes considerable research into reducing methane emissions from agricultural production, including through building capability in developing countries. For example, New Zealand has invested more than \$15million in the ASEAN and African regions to improve their inventory capability and identify mitigation options. New Zealand is also working with the European Union and the United States to accelerate the development of relevant practices and technologies. Lifting the agricultural performance of developing countries can increase the global emissions impact of New Zealand's work in the agricultural sector. New Zealand also has considerable expertise in the quantification of methane emissions from agriculture, having invested into improving the accuracy of emission factors, methods and data use in New Zealand's greenhouse gas inventory. New types of cooperation on data and science are emerging such as the MethaneSAT space mission.
- 18. In addition to this, New Zealand is involved in a number of research initiatives that can add to the work of the Pledge for example:
  - MBIE has partnered with the Environmental Defense Fund (EDF), a US NGO on the MethaneSAT space mission which is developing a satellite to quantify and map global methane emissions from oil and gas infrastructure and from intensive agriculture production. The satellite will identify global methane hotspots where onthe-ground intervention can be undertaken to mitigate methane emissions.

New Zealand has championed international research into measuring and reducing agricultural emissions since jointly establishing the GRA in 2009. The GRA now has 65 member countries and over 3000 scientists involved in its activities. The GRA also supports capability-building across many countries to record and report on agricultural emissions.

19. The Pledge also contains commitments on transparency of policy. New Zealand will produce an emissions reduction plan covering all methane emitting sectors by mid-2022. Ongoing implementation and tracking of progress towards commitments under the Climate Change Response Act will be monitored by the independent Climate Change Commission. These

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### Agreement to Join the 'Global Methane Pledge'

measures, alongside standard New Zealand policy practice including regulatory impact assessments, and climate implications of policy assessments mean New Zealand climate policy has transparent and publicly available information available.

#### Support existing international methane emissions reduction initiatives

- 20. New Zealand participates in a number of international methane emissions reduction initiatives already. These include:
  - New Zealand is leading key GRA Flagship Projects to sequence rumen microbial populations from global livestock populations to better understand the process leading to methane production and identifying traits to breed low emissions livestock.
  - New Zealand has been a contributor to the Agriculture Initiative of the Climate and Clean Air Coalition (CCAC) to reduce methane emissions from livestock systems. In partnership with the GRA and the United Nations Food and Agriculture Organisation (FAO), New Zealand has supported the CCAC project "Reducing Enteric Methane for Improving Food Security and Livelihoods" to reduce enteric methane across countries in Latin America, South Asia and Sub-Saharan Africa.
  - The US and UAE-led "Agricultural Innovation Mission (AIM) for Climate", which will be launched at COP26, to support political commitment to reducing agricultural emissions. It encourages countries to increase investment in climate-smart agricultural innovation in the years 2021-2025 (using 2020 as a baseline).
- 21. Data from the MethaneSAT satellite will help to improve global data sets on methane emissions, thereby supporting the technical and policy work of existing international methane emission reduction initiatives.

#### Advice

- 22. We recommend that New Zealand join the global methane Pledge. MBIE, MfE, and MPI have been consulted in the development of this advice and support this recommendation.
- 23. New Zealand has a national interest is in an effective global climate response. New Zealand is dependent upon effective global climate action, and the Pledge is directly aimed at limiting the temperature rise to 1.5 degrees.
- 24. The Pledge does not contain any legally binding obligations. Instead, it is a political commitment to work in good faith to achieve its objectives.
- 25. New Zealand is taking substantial action across many areas covered by the Pledge. New Zealand expertise could be a valuable contribution to the achievement of the global goal set out in the Pledge.
- 26. New Zealand's current policy settings and all-gases emissions budgets and absolute reduction target for biogenic methane are unlikely to lead to a 30 percent reduction in domestic methane emissions by 2030. However, as noted above, the Pledge does not require an individual country to deliver a 30 percent reduction itself. It recognises that different sectors have different mitigation potentials.
- 27. New Zealand is able to contribute substantively to achieving the goals of the Pledge, including through science; taking substantive domestic action on methane emissions, in hard

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### Agreement to Join the 'Global Methane Pledge'

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to reduce sectors; and world leading effort to reduce agricultural methane emissions (e.g. the pricing of agricultural emissions from 2025). s9(2)(g)(i)

- 29. New Zealand has a national interest in other countries taking ambitious action on methane, including ambitious action on agricultural emissions. The Pledge has the potential to reinforce for others the need to take action on these emissions.
- 30. There is potential for international cooperation, and for New Zealand to leverage comparative advantage if the Pledge either 1) drives greater global action to reduce agricultural emissions or 2) raises awareness of the benefits of emissions efficient production.

s6(a)

32. With respect to stakeholders, the commitments in the Pledge the one that will attract the most attention is the collective commitment to work towards reducing global methane emissions by 30 percent by 2030. There is a risk that this is perceived by stakeholders as incompatible with our current domestic targets. If New Zealand joins the Pledge, clear communications with stakeholders will be important.

### Next steps

- 33. We recommend New Zealand join this initiative. If you agree, we recommend you refer this submission to the Minister of Energy and Resources, Minister of Research, Science and Innovation, Minister for the Environment, and Minister of Agriculture seeking their concurrence.
- 34. If you agree to New Zealand joining this initiative we recommend that it is publicly announced in time for New Zealand to participate in the launch of the event at COP26. We

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# Agreement to Join the 'Global Methane Pledge'

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Agreement to Join the 'Global Methane Pledge'

# Annex 1 – Text of the Global Methane Pledge

# **Global Methane Pledge**

- Recognizing that, in order to ensure that the global community meets the Paris Agreement goal of keeping warming well below 2 degrees C, while pursuing efforts to limit warming to 1.5 degrees C, significant methane emission reductions must be achieved globally by 2030;
- ii. *Recognizing* that the short atmospheric lifetime of methane means that taking action now can rapidly reduce the rate of global warming and that readily available costeffective methane emission measures have the potential to avoid over 0.2 degrees C of warming by 2050 while yielding important co-benefits, including improving public health and agricultural productivity;
- iii. *Recognizing* that methane accounts for 17 percent of global greenhouse gas emissions from human activities, principally from the energy, agriculture, and waste sectors, and that the energy sector has the greatest potential for targeted mitigation by 2030;
- iv. *Recognizing* that the mitigation potential in different sectors varies between countries and regions, and that a majority of available targeted measures have low or negative cost;
- v. *Recognizing* that, to keep 1.5 degrees C within reach, methane emission reductions must complement and supplement, not replace global action to reduce carbon dioxide emissions, including from the combustion of fossil fuels (coal, oil and natural gas), industrial processes, and the lands sector;
- vi. *Recognizing* that improvements to the transparency, accuracy, completeness, comparability, and consistency of methane emissions data assessed and validated in accordance with United Nations Framework Convention on Climate Change (UNFCCC) standards and Intergovernmental Panel on Climate Change (IPCC) good practice can promote more ambitious and credible action;
- vii. *Recognizing* that, while there are multiple useful international initiatives that address methane, there is a need for high-level political engagement in order to catalyze global methane action.
- viii. The signatories to the Global Methane Pledge:
- ix. *Commit* to work together in order to collectively reduce global anthropogenic methane emissions across all sectors by at least 30 percent below 2020 levels by 2030.
- x. *Commit* to take comprehensive domestic actions to achieve that target, focusing on standards to achieve all feasible reductions in the energy and waste sectors and seeking abatement of agricultural emissions through technology innovation as well as incentives and partnerships with farmers.
- xi. *Commit* to moving towards using the highest tier IPCC good practice inventory methodologies, consistent with IPCC guidance, with particular focus on high emission sources, in order to quantify methane emissions; as well as working individually and cooperatively to continuously improve the accuracy, transparency, consistency,

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## Agreement to Join the 'Global Methane Pledge'

comparability, and completeness of national greenhouse gas inventory reporting to the UNFCCC, and to provide greater transparency in key sectors.

- xii. *Commit* to maintaining up-to-date, transparent, and publicly available information on our policies and commitments.
- xiii. *Commit* to support existing international methane emission reduction initiatives, such as those of the Climate and Clean Air Coalition, the Global Methane Initiative, and the relevant work of the United Nations Environment Programme, including the International Methane Emissions Observatory, to advance technical and policy work that will serve to underpin signatories' domestic actions.
- xiv. *Welcome and encourage* announcements of further parallel specific domestic actions by signatories and commitments taken by the private sector, development banks, financial institutions and philanthropy to support global methane abatement.
- xv. *Resolve* to review progress towards the target of the Global Methane Pledge on an annual basis until 2030 by means of a dedicated ministerial meeting.
- xvi. Call on other states to join the Global Methane Pledge.

2122-1480 (MBIE)





MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT HĪKINA WHAKATUTUKI

21 October 2021

Minister of Energy and Resources Minister of Climate Change For action by For action by

27 October 2021 27 October 2021

# Agreement to Join the 'Beyond Oil and Gas Alliance'

- BRIEFING Decision Submission
- PURPOSE To seek a decision on whether New Zealand joins the Beyond Oil and Gas Alliance.

# Taipitopito whakapā – Contact details

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NAME Anna Broadhurst Michelle Schulz	ROLE Acting Divisional Manager Manager Resource Markets Policy	DIVISION Climate Change Division Energy & Resource Markets	WORK PHONE s9(2)(a)
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# Mā te Tari Minita e whakakī – Minister's Office to complete



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# Agreement to Join the 'Beyond Oil and Gas Alliance'

# Pito matua – Key points

- New Zealand has been approached to join the Denmark and Costa Rica-led Beyond Oil and Gas Alliance (BOGA). This initiative aims to mobilise national governments and other jurisdictions with decision-making power that are taking steps to transition away from reliance on oil and gas production.
- The initiative focuses on the supply side as achieving the temperature limitation goals of the Paris Agreement requires rapid reductions in the production of fossil fuels. This is driven by concern that continued global investment into expanding fossil fuel extraction will lock in a high emissions pathway incompatible with the temperature goals of the Paris Agreement.
- BOGA has a tiered membership structure to accommodate different levels of progress in restricting oil and gas production. New Zealand is not eligible to be a core member of BOGA because New Zealand has not yet committed to ending new permitting for oil and gas production and exploration, and has not set a Paris-aligned date for ending oil and gas production and exploration. We assess that New Zealand would be eligible to be an Associate Member, the second tier of membership, however.
- Joining BOGA would demonstrate New Zealand's commitment to transitioning to renewable forms of energy and its climate change targets, including those set under the Paris Agreement.
- BOGA has the potential to be a useful vehicle for New Zealand advocacy for a global clean energy transition (to complement our participation in other existing initiatives focusing on coal).
- Joining this initiative would also strengthen our role as Chair of the Friends of Fossil Fuel Subsidy Reform, and provide a vehicle for continued leadership on this issue.
- s9(2)(g)(i)
- Joining BOGA does not entail any binding legal commitments and does not necessitate changes to domestic policy. Signing the Declaration means making a good faith commitment to work towards to transition away from reliance on oil and gas production.
  - Ongoing commitments would include quarterly meetings at working level, and potentially participation in an annual Ministerial meeting to discuss, amongst other things, strategy for the alliance, admission of new members and coordination of outreach.
  - As BOGA is in its inception stage, we do not have knowledge of which other countries will join BOGA for its launch. We understand that the organisers are in dialogue with several partners and expect a 'good few' to join ahead of COP26. In addition to Denmark and Costa Rica, France is one country we know which is expected to join as a Member.

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# Agreement to Join the 'Beyond Oil and Gas Alliance'

We consider that BOGA would be a useful vehicle for advancing effective global climate action and propose that New Zealand joins this initiative as a founding member, with Associate Member status, and participates in BOGA's formal launch at the 26th United Nations Climate Change Conference (COP26). change

**Deborah Geels** for Secretary of Foreign Affairs and Trade (signed electronically)

Michelle Schulz Manager, Resource Markets Policy , in Ministry of Business, Innovation and Employment

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# Agreement to Join the 'Beyond Oil and Gas Alliance'

# Tūtohu – Recommendations

It is <u>recommended</u> that you:

- 1 **Note** New Zealand has been approached by Denmark to join the Beyond Oil and Gas Alliance.
- 2 **Note** the Beyond Oil and Gas Alliance does not involve binding legal commitments.
- 3 **Note** the Beyond Oil and Gas Alliance will have a tiered membership structure, and retaining membership at a tier involves continuing to fulfil the relevant eligibility criteria.
- 4 **Note** officials assess that New Zealand would be eligible to be an Associate Member.
- 5 **Note** joining would support New Zealand's international objectives of influencing effective global climate action.
- 6 **Note** a decision to join the Beyond Oil and Gas Alliance involves an element of risk,  ${}^{s9(2)(g)}_{(i)}$

- 7 **Note** these risks can be mitigated, in part, through communications highlighting steps the Government is taking to ensure a smooth and managed transition of the New Zealand energy system and economy.
- 8 **Agree** that New Zealand should join the Beyond Oil and Gas Alliance, as an Associate Member, and signalling its participation ahead of the formal launch at COP26. **Yes / No**

Hon Dr Megan Woods Minister of Energy and Resources

Hon James Shaw Minister of Climate Change chand

Date: / /

Date: / /

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# Agreement to Join the 'Beyond Oil and Gas Alliance'

# Pūrongo – Report

## The Beyond Oil and Gas Alliance

### Objectives

- 1. New Zealand has been approached to become a founding member of the Denmark and Costa Rican-led Beyond Oil and Gas Alliance (BOGA). This initiative aims to mobilise national governments and other jurisdictions with decision-making power taking steps to transition away from reliance on oil and gas production.
- 2. Achieving the temperature limitation goals of the Paris Agreement requires rapid reductions in the production of fossil fuels. A driver behind BOGA is concern that continued investment into expanding global fossil fuel extraction will lock in a high emissions pathway incompatible with these goals.
- 3. BOGA focuses on supply-side measures and aims to:
- Raise global climate ambitions and align oil and gas production with the Paris Agreement goal of "well below 2°C, pursing efforts for 1.5°C".
- Ensure that climate change is placed firmly on the international energy and climate agenda, and promote policies that achieve an equitable global managed phase-out of oil and gas production; to meet the objectives of the Paris Agreement as well as climate neutrality commitments;
- Incentivise industry to achieve low-carbon technologies and support the creation of green growth;
- Capture and leverage momentum from first movers to encourage others to take action, and provide a home for those new commitments; and
- Create an international community of practice around supporting and managing a just and equitable phase-out of oil and gas production.

#### Structure and commitments

#### BOGA declaration

4. The focal point of BOGA is the Declaration (Appendix A). This recognises that: globally, significant oil and gas fields exist and no new oil and gas fields are required beyond those already approved for development as of 2021; that continued investment in oil and gas infrastructure contributes to dangerous climate change and increases the risk of stranded assets; and that more oil and gas resources need to be left in the ground. The Declaration states that those joining it:

Support a socially just and equitable global transition to align oil and gas production with the objectives of the Paris Agreement, taking into account the impact on communities and economies. We commit to working together to facilitate effective measures to this end in line with the Paris Agreement and national climate neutrality targets.

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# Agreement to Join the 'Beyond Oil and Gas Alliance'

#### Membership tiers

5. BOGA will have a tiered membership structure. If members no longer meet the criteria of their tier (e.g. if a core member resumed holding licensing rounds) they will no longer be eligible for that membership. Details of the three tiers and membership criteria are set out below.

M	embership type	Membership criteria
1	Core member	Sign BOGA declaration
		Commit to ending new licensing rounds for oil and gas     production and exploration
		• Set a Paris-aligned date for ending oil and gas production and exploration in their territory
2	Associate	Sign BOGA declaration
	member	AND have taken one or more of the following concrete steps that contribute to the reduction of oil and gas production:
		<ul> <li>Implemented ambitious domestic subsidy reform as part of a plan to end subsidies and market distorting measures in support of oil and gas within a Paris aligned timeframe</li> </ul>
		<ul> <li>Ended international public financial support for oil and gas exploration and production abroad;</li> </ul>
		<ul> <li>Ended public financing for fossil fuel research and development activities;</li> </ul>
		<ul> <li>Implemented other significant measures that contribute to reducing the supply oil and gas on the global market.</li> </ul>
		• Signal an interest in developing short and long term concrete Paris aligned commitments for oil and gas production before 2025 (i.e. over the course of the next NDC revision cycle).
3	Friend	Sign BOGA declaration

#### Ongoing commitments

- 6. Countries will ideally progress up the tiers of membership, and remaining in a tier requires continuing to fulfil the relevant membership criteria. Alongside this, ongoing commitments that may require servicing include:
  - Annual summit Main public facing event designed to galvanise further action on oil and gas production and provide a high-level venue for the announcement of new commitments.

#### Page 7 of 12

# Agreement to Join the 'Beyond Oil and Gas Alliance'

- **Annual Ministerial meeting** *Core members* closed-door Ministerial meeting for core members to discuss, amongst other things, strategy for the alliance, admission of new members and coordination of outreach.
- Quarterly meetings at working level Associate and core members (friends as relevant) – opportunity to have in-depth discussion about BOGA-related themes and share best practices. Can lead to the creation of issue specific taskforces to further work on relevant topics.

#### Timing

7. Preparatory work for BOGA has been occurring throughout this year. The initiative was publicly announced by Denmark and Costa Rica at the recent United Nations General Assembly week, where they called on other countries to join them. BOGA will be formally launched at COP26 (November this year).

### Joining BOGA

#### Consistency of commitments with New Zealand practice

- 8. We consider that under current policy settings, New Zealand could join as an Associate Member of BOGA. Currently, New Zealand is not eligible to be a core member of BOGA because New Zealand has not yet committed to ending new permitting for oil and gas production and exploration, and not set a Paris-aligned date for ending oil and gas production and exploration.
- 9. While permitting for new offshore oil and gas exploration ceased in 2018, permitting rounds for new onshore exploration in Taranaki continue. In 2018, the then Government committed to undertake three further onshore Block Offer rounds for the allocation of new onshore exploration permits, followed by a review. Block Offer 2018 and Block Offer 2019 were concluded in 2020 and 2021 respectively. A decision under section 24 of the Crown Minerals Act 1991 on whether to issue a request for bids for Block Offer 2020 (the last of the three rounds the Government committed to in 2018) is anticipated in the coming months. No decisions have been made on future settings post Block Offer 2020.
- 10. New Zealand fulfils a number of the criteria for Associate Member status, this includes through:
  - Our lack of fossil fuel subsidies domestically, and ongoing international advocacy for the removal or reform of fossil fuel subsidies;
    - RMA National Direction for renewable electricity generation reducing consenting barriers for new renewable projects through planning instruments
  - National Direction for Greenhouse Gases using planning instruments to restrict industrial emissions
  - New Zealand Battery project undertaking a study to determine energy storage options to solve New Zealand's dry year problem and to enable New Zealand to reduce reliance on fossil fuels in our electricity system

#### Page 8 of 12

# Agreement to Join the 'Beyond Oil and Gas Alliance'

- Supporting research and development in alternative forms of energy, through the Advanced Energy Technology Platform and the Endeavour Programme, funding the National New Energy Development Centre (Ara Ake) and committing to international science and research partnerships 3100
- Ending permitting for new offshore oil and gas exploration in 2018.
- 11. In future, New Zealand could graduate to core membership if it fulfils the criteria of:
  - Committing to ending new permitting for oil and gas production and exploration; and
  - Setting a Paris-aligned date for ending oil and gas production and exploration.
- 12. We note the Declaration refers to the building of oil and gas infrastructure as locking in a high carbon pathway; this is, however, not necessarily the case - as natural gas infrastructure may be able to be used for renewable gases (e.g. biogas and hydrogen).
- 13. The Minister of Energy and Resources will be reporting back to Cabinet before the end of the year on opportunities to repurpose New Zealand's fossil gas infrastructure with renewable gases, along with managing the phase-out of fossil gas from the energy sector more generally. MBIE considers that some of this work will be signalled in the Energy Reduction Plan (ERP), to be published in May 2022.

#### Focus on oil and gas vs coal

14. One potential criticism of BOGA is its focus on oil and gas, rather than more highly emitting coal. This however, has to be understood in the ecosystem of, and desirability of nonduplication of climate change initiatives. The Powering Past Coal Alliance (PPCA) is a wellestablished initiative (launched 2017), with 41 national members (including New Zealand) and subnational and organisational members, that aims to accelerate the transition from coal to clean energy. Both Denmark and Costa Rica are also members of the PPCA. BOGA's focus on oil and gas is complementary to the work of other initiatives on coal.

#### Advice

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- 15. We seek a decision as to whether New Zealand should join BOGA as a founding member (at Associate Member status). This would mean communicating New Zealand's intention to join ahead of, and then participating, in the initiative's formal launch at COP26.
- 16. We consider that BOGA would be a useful vehicle for advancing effective global climate action. s9(2)(g)(i)

#### Page 9 of 12

# Agreement to Join the 'Beyond Oil and Gas Alliance'

#### Advantages of joining BOGA

17. The Declaration itself is a political statement, it does not contain any binding legal commitments and does not necessitate changes to domestic policy. Signing the Declaration, however, means making a good faith commitment to work towards the central undertaking in the Declaration, namely that:

As members and friends of the **Beyond Oil and Gas Alliance**, we support a socially just and equitable global transition to align oil and gas production with the objectives of the Paris Agreement, taking into account the impact on communities and economies. We commit to working together to facilitate effective measures to this end in line with the Paris Agreement and national climate neutrality targets.

- 18. Effective global climate action is critical to New Zealand's well-being, and BOGA also recognises the importance of a socially equitable and just transition away from reliance on fossil fuels. BOGA's focus and design means it has the potential to be an effective vehicle for influencing the global shift from oil and gas. New Zealand participating in BOGA would help with this. An example of the effectiveness of this kind of climate diplomacy can be seen in the pressure since 2017 for countries to move away from coal (e.g. from members of the PPCA). Many countries have now committing to end coal financing overseas <sup>s6(a)</sup>
- 19. BOGA could provide a platform for furthering New Zealand's advocacy for the removal of fossil fuel subsidies. It may also provide a vehicle for amplifying awareness of New Zealand's current leadership in some areas (e.g. the offshore exploration ban and Taranaki Just Transition); and provide a coalition of likeminded countries to learn from, or point to as taking ambitious action in this sector.
- 20. We consider that this aligns to the New Zealand's existing objectives of taking action on climate change while also supporting a Just Transitions pathway. New Zealand has an objective of net-zero emissions for all gases (other than biogenic methane) by 2050, and a target under the Paris Agreement to reduce emissions by 30 per cent below 2005 emissions by 2030. The Just Transitions process in Taranaki is an example of this commitment to climate action and a just transition focussed on bringing together Government, businesses, workers and iwi to develop 'a strategy to mitigate the impacts that reducing emissions and increasing removals will have on employees and employers, regions, iwi and Māori, and wider communities').
- 21. Joining this initiative would strengthen our role as Chair of the Friends of Fossil Fuel Subsidy reform, noting that other Friends (are joining. In addition, there is potential complementarity between potential membership of BOGA and the Agreement on Climate Change Trade and Sustainability (which seeks to, amongst other things, establish binding disciplines on fossil fuel subsidies). This may provide opportunities to expand associate membership of BOGA to the Parties negotiating this Agreement (New Zealand, Costa Rica, Fiji, Iceland, Norway, and Switzerland).
- 22. Alongside this, BOGA would support bilateral relationships:
  - New Zealand and Danish views concerning international affairs are highly aligned, especially on issues such as sustainable development, where Denmark is a champion. Denmark and Costa Rica are both active members of the Friends of Fossil Fuel Subsidy Reform (FFFSR) a grouping of non-G20 countries that was initiated by New Zealand in 2010.

#### Page 10 of 12

## Agreement to Join the 'Beyond Oil and Gas Alliance'

Costa Rica is a likeminded partner for New Zealand, especially on environmental leadership and climate action. New Zealand is currently engaging with Costa Rica across a range of policy and commercial areas, and multilateral environmental issues feature strongly on this agenda. s6(a)

- with Central America

already being one of the most climate vulnerable regions in the world.

#### Potential risks and mitigations of joining BOGA

23. New Zealand's energy supply is still dependent on incentivising investment in existing oil and gas production such as the investment OMV is making in Maui B to prolong the life of the existing Maui B and Pohokura fields. This investment will enable increased flexibility of to ensure security of supply of electricity during the transition and until the New Zealand Battery is in operation and avoid increased reliance on imported coal with higher emissions. This investment is also needed to ensure that consumers (industrial, commercial and re noectively leeesed by the winister residential users) that rely on gas can still access gas before renewable alternatives are available.

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## Agreement to Join the 'Beyond Oil and Gas Alliance'

#### Ongoing commitments of BOGA membership

- 28. Ongoing commitments that may require servicing, if New Zealand joins as an associate member are:
  - Annual summit Main public facing event designed to galvanise further action on oil and gas production and provide a high-level venue for the announcement of commitments.
  - **Quarterly meetings at working level** opportunity to have in-depth discussion about BOGA-related themes and share best practices. Can lead to the creation of issue specific taskforces to further work on relevant topics.

MBIE and MFAT would need to (and could) service these meetings in their respective capacities as sector-lead and international climate change policy lead.

29. Regarding the potential membership pool - currently, developed countries are more likely to have already made the commitments in the membership criteria. If membership was solely developed countries this could risk BOGA being perceived as paternalistic or deaf to developing countries development needs. Costa Rica's prominent role as co-lead of the initiative diminishes this risk

#### Next steps

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- 30. If you (Minister of Energy and Resources and Minister of Climate Change) agree to New Zealand participating in BOGA we will:
  - Communicate New Zealand's intention to join to Denmark by 29 October, including a short statement justifying New Zealand joining as an associate member (i.e. how it fulfils the membership criteria);
  - Prepare for high-level New Zealand participation in the formal launch of BOGA at COP26, on 10 November (preferably Ministerial, programme permitting); and
  - Work with your offices to develop any necessary communications material for any public announcement, and look for opportunities to announce that New Zealand is joining the initiative (either through the formal launch or prior, if appropriate).

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# Agreement to Join the 'Beyond Oil and Gas Alliance'

# Annex 1 – Text of the Beyond Oil and Gas Alliance Declaration

Avoiding dangerous levels of climate change and delivering on the Paris Agreement require a dramatic shift in the way that we provide and use energy. Enabling the transition away from an unsustainable supply of oil and gas is a critical part of that challenge.

Our joint climate commitments are being undermined by current and planned fossil fuel production. The 2019 UNEP Production Gap Report stated that to be consistent with a 1.5°C pathway, global oil and natural (fossil) gas production would need to fall by 4 and 3 percent respectively each year to 2030, and faster thereafter. Current government plans amount, however, to an *increase* in fossil fuel production of 2 percent per year. By 2030, this would result in more than double the fossil fuel production that is consistent with the 1.5°C limit.

Likewise, according to the International Energy Agency, the world needs a global energy system transformation that is unparalleled in its speed and scope to achieve a net zero target by 2050. The IEA states that that oil and natural gas demand need to decline by 75 per cent and 55 per cent respectively between 2020 and 2050 to achieve net zero. This means that no new oil and gas fields are required beyond those already approved for development as of 2021.

Continued investment in increasing the production of oil and natural gas encourages the building of infrastructure for supply and consumption, locking-in a high carbon pathway beyond 2050 and thus contributing to dangerous climate change, while at the same time increasing the risk of stranded assets.

We all must act to align oil and gas production with the objectives of the Paris Agreement, and industrialized countries should lead the way. More oil and gas resources need to be left in the ground, and all jurisdictions with existing oil and gas production sectors will need to transition these in a socially just manner.

Other measures, such as ending public financing to oil and gas production overseas and removing domestic production subsidies, are also impactful in reducing the unsustainable supply of fossil fuels. We welcome the G7 Climate and Environment Ministers' 2021 Communiqué in this regard.

Setting clear policy direction for the oil and gas sector will provide greater certainty for industry and spur innovation around low-carbon technologies. Such signals may also facilitate economic diversification over time, create a more competitive playing field for low-carbon industries, and free up resources to support green growth in developing countries. Fortunately, we know that the prospects for green growth are immense with the potential to create millions of new jobs worldwide.

As members and friends of the **Beyond Oil and Gas Alliance**, we support a socially just and equitable global transition to align oil and gas production with the objectives of the Paris Agreement, taking into account the impact on communities and economies. We commit to working together to facilitate effective measures to this end in line with the Paris Agreement and national climate neutrality targets.

We invite other governments, financial institutions, and international partners to join us in this effort.





21 October 2021

Minister of Climate Change

For approval by

22 October 2021

# COP26: Proposed New Zealand Announcements

BRIEFING Decision Submission

PURPOSE This submission seeks agreement to a range of New Zealand announcements and initiatives at COP26 in Glasgow, UK (31 October – 12 November 2021).

# Tukunga tūtohua – Recommended referrals

Prime Minister	For concurrence by	28 October 2021
Minister of Finance	For concurrence by	28 October 2021
Minister of Foreign Affairs	For concurrence by	28 October 2021
Minister for Trade and Export Growth	For concurrence by	28 October 2021
Minister of Agriculture	For concurrence by	28 October 2021
Minister of Energy and Resources	For concurrence by	28 October 2021
Minister of Transport	For concurrence by	28 October 2021
Minister of Forestry	For concurrence by	28 October 2021
Minister for the Environment	For concurrence by	28 October 2021
Minister of Conservation	For concurrence by	28 October 2021
Minister of Commerce and Consumer Affairs	For information by	28 October 2021
Associate Minister of Foreign Affairs	For information by	28 October 2021
Minister of State for Trade and Export Growth	For information by	28 October 2021
Parliamentary Under-Secretary to the Minister	For information by	28 October 2021
for Trade and Export Growth		

# Taipitopito whakapā - Contact details

NAME	ROLE	DIVISION	WORK PHONE
Anna Broadhurst	Climate Change Advisor	Climate Change Division	s9(2)(a)
Garrett Hulse	Policy Advisor	Climate Change Division	

# Mā te Tari Minita e whakakī – Minister's Office to complete

Approved	Noted	Referred
Needs amendment	Declined	Withdrawn
Overtaken by events	See Minister's notes	

# Comments

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## COP26: Proposed New Zealand Announcements

# Pito matua – Key points

- The 26th Conference of the Parties in Glasgow, United Kingdom, 31 October 12 November (COP26), provides the opportunity for New Zealand to advocate for greater global climate action, advance its interests in international negotiations, to affirm our position as a global leader on climate change, and to stand with the Pacific.
- It is common for countries to announce new climate change initiatives at the COP, whether unilateral (e.g. announcements of new climate funding) or collaborative. In addition, the COP Presidency often launches initiatives that are open for Parties to endorse. Participation in these is a useful vehicle for New Zealand to achieve its priorities and objectives for the Conference.
- Officials propose that New Zealand makes a series of announcements and sign up to a number of initiatives and statements, at appropriate times during the COP, in order to advance its priorities and objectives. A number of these initiatives have already been approved by portfolio Ministers. On others, we seek specific decisions about participation through this submission.

Initiatives for Ministerial consideration and agreement in this submission:

- Joining the World Leaders' Statement/Glasgow Breakthrough Declarations;
- Signing the Carbon Neutrality Coalition COP26 Communique: Realizing True Zero;
- Endorsing the Glasgow Leaders' Declaration on Forests and Land Use;
- Joining the Statement on International Public Support for the Clean Energy Transition;
- Joining the Champions Group on Adaptation Finance;
- Joining a Ministerial Statement from Climate Ministers on the Agreement on Climate Change, Trade and Sustainability (ACCTS);
- Welcoming the establishment of International Financial Reporting Standards (IFRS) International Sustainability Standards Board;
- Signing the Global Energy Compact for No New Coal Power; and
- Joining the Global Coal to Clean Power Transition Statement.

Initiatives that have already been agreed by Ministers:

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Joining the Agriculture Innovation Mission (AIM) for Climate;

- Endorsing the Policy Action Agenda on the Transition to Sustainable Agriculture Through Repurposing Public Policies and Support and Scaling Innovation.
- Supporting a proposal on ending coal support within the OECD Export Credit Arrangement;
- Signing the Clydebank Declaration on Green Shipping Corridors; and
- Joining the International Aviation Climate Ambition Coalition, and signing the associated Aviation Net Zero Declaration.

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### COP26: Proposed New Zealand Announcements

Initiatives that will be considered by Ministers in future/other submissions:

- Signing the Declaration on Accelerating the Transition to 100% Zero Emission Cars and Vans;
- Joining the Global Methane Pledge;
- Joining the Beyond Oil and Gas Alliance; and
- Making a Joint Declaration with Quebec and California on Cooperation in the Fight Against Climate Change.

Initiatives that aren't seeking Ministerial approval (which are provided for awareness):

- Signing the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) Statement for COP26;
- Joining the Friends of Fossil Fuel Subsidy Reform endorsement of the United Nations Development Programme (UNDP) "Let's Talk Extinction" Campaign; and
- Signing the International Chief Science Advisors' Statement.

Initiatives officials are not recommending New Zealand join:

- The Forest Finance Pledge (at this stage);
- Declaration on Supporting the Conditions for a Just Transition Internationally; and
- Third 'Because the Ocean' Declaration (at this stage).
- Other initiatives, including some that may align with New Zealand's objectives, are likely to come to our attention before the end of the COP. Consistent with the approach to delegated authorities for negotiation matters agreed previously by Cabinet [CAB-21-Min-0416 refers], we propose decisions about potential additional New Zealand announcements not covered by this submission are made by the Minister for Climate Change on the ground, in consultation with relevant portfolio Ministers as required.

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Deborah Geels for Secretary of Foreign Affairs and Trade (Signed Electronically)

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### COP26: Proposed New Zealand Announcements

## Tūtohu – Recommendations

It is <u>recommended</u> that you:

For concurrence by the Prime Minister, Minister of Energy and Resources and the Minister of Transport:

1 **Agree** the Prime Minister should join the World Leaders' Statement and **Yes / No** 'Glasgow Breakthroughs' Declarations

For concurrence by the Prime Minister:

2 **Agree** New Zealand will sign the Carbon Neutrality Coalition COP26 **Yes / No** Communique: Realizing True Zero

For concurrence by the Prime Minister and the Minister of Forestry

3 **Agree** the Prime Minister should endorse the Glasgow Leaders' **Yes / No** Declaration on Forests and Land Use

For concurrence by the Minister of Finance, Minister of Foreign Affairs and Minister for Trade and Export Growth

4 **Agree** New Zealand will join the Statement on International Public Support **Yes / No** for the Clean Energy Transition

For concurrence by the Minister of Foreign Affairs

5 Agree New Zealand will join the Champions Group on Adaptation Finance Yes / No

For concurrence by the Minister for Trade and Export Growth

6 **Agree** New Zealand will sign the Joint Climate Change Ministerial **Yes / No** Statement on Agreement on Climate Change, Trade and Sustainability (ACCTS) to be presented at the COP26 ACCTS side event

For concurrence by the Minister of Finance

7 **Agree** New Zealand will welcome the establishment of International **Yes / No** Financial Reporting Standards (IFRS) International Sustainability Standards Board (ISSB)

For concurrence by the Minister for Energy and Resources

8 **Agree** New Zealand will sign the Global Energy Compact for No New Coal **Yes / No** Power

For concurrence by the Minister for Energy and Resources

Agree New Zealand will join the Global Coal to Clean Power Transition Yes / No Statement

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### COP26: Proposed New Zealand Announcements

#### No concurrences

10 **Note** that portfolio Ministers have already agreed that New Zealand will: Ye

Yes / No

nand

- Join the Agriculture Innovation Mission (AIM) for Climate;
- Endorse the Policy Action Agenda on the Transition to Sustainable Agriculture Through Repurposing Public Policies and Support and Scaling Innovation;
- Support a proposal on ending coal support within the OECD Export Credit Arrangement;
- Sign the Clydebank Declaration on Green Shipping Corridors; and
- Join the International Aviation Climate Ambition Coalition and sign the associated Aviation Net Zero Declaration

#### No concurrences

11 **Note** further advice will be given on whether New Zealand should:

Yes / No

- Sign the Declaration on Accelerating the Transition to 100% Zero Emission Cars and Vans;
- Join the Global Methane Pledge;
- Join the Beyond Oil and Gas Alliance; and
- Sign the Joint Declaration on Cooperation in the Fight Against Climate Change (with Quebec and California)

#### For concurrence by the Minister of Foreign Affairs:

12 **Note** the OECD Development Assistance Committee is currently finalising **Yes / No** a Declaration for COP26 is consistent with New Zealand's existing development policy positions

For concurrence by the Minister of Trade and Export Growth:

13 **Note** that MFAT officials will support the Friends of Fossil Fuel Subsidy **Yes / No** Reform's endorsing of the United National Development Programme "Let's Talk Extinction" campaign, consistent with New Zealand's existing advocacy position on Fossil Fuel Subsidy Reform

For concurrence by the Prime Minister:

14 **Note** the Prime Minister's Chief Science Adviser will sign a COP26 **Yes / No** statement of Chief Science Advisors

For concurrence by the Minister of Foreign Affairs:

15 Agree that New Zealand will not join the Forest Finance Pledge Yes / No

For concurrence by the Minister of Foreign Affairs:

16 **Agree** that New Zealand will not sign onto the Declaration on Supporting **Yes / No** the Conditions for a Just Transition Internationally

#### Page 6 of 20

### COP26: Proposed New Zealand Announcements

For concurrence by the Minister for the Environment, Minister of Foreign Affairs and Minister of Conservation:

Agree that s9(2)(g)(i) 17

Yes / No

New Zealand is currently unable to sign onto the third 'Because the Ocean' Declaration s6(a)

For concurrence by the Prime Minister:

18 Agree that decisions about potential additional New Zealand Yes / No announcements not covered by this submission are made by the Minister for Climate Change on the ground, in consultation with relevant portfolio Ministers as required d by the Minister of

Hon James Shaw Minister of Climate Change Date: 1 1

Rt Hon Jacinda Ardern **Prime Minister** Date:

Hon Grant Robertson **Minister of Finance** Date: 1 1

Hon Nanaia Mahuta Minister of Foreign Affairs / Minita Take Aorere Date: 1 1

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# COP26: Proposed New Zealand Announcements

toy the Minister of Climate Change Hon Damian O'Connor Minister for Trade and Export Growth Minister of Agriculture Date: 1 1

Hon Megan Woods Minister of Energy and Resources Date: 1 1

1

Hon Stuart Nash Minister of Forestry Date: 1

Hon David Parker Minister for the Environment Date:  $\sum I$ 

Hon Kiri Allen Minister of Conservation Date: 1 1

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# COP26: Proposed New Zealand Announcements

# Pūrongo – Report

- 1. The United Kingdom is hosting the United Nations Framework Convention on Climate Change (UNFCCC) 26th Conference of the Parties (COP26), 31 October 12 November 2021. You have agreed to the following priorities and objectives for the COP:
  - 1.1. Demonstrating our continued commitment to full implementation of the Paris Agreement and support for action to keep the 1.5 degree warming limit within reach;
  - 1.2. Successfully negotiating on carbon markets (Article 6) and transparency (Article 13);
  - 1.3. Showcasing the value of trade in supporting climate action;
  - 1.4. Raising the profile of Pacific concerns and achievements, including through the Pacific Space; and
  - 1.5. Supporting credible progress on collective efforts to meet the \$100bn climate finance goal.
- 2. It is common for countries to announce new climate change initiatives at the COP, whether unilateral (e.g. announcements of new climate finance) or collaborative. In addition, the COP Presidency (for COP26, the UK) often initiates collaborative activities to advance action on its priorities and are open for Parties to endorse.
- 3. Officials have received a number of statements, declarations and initiatives for New Zealand to join, and officials<sup>1</sup> have assessed these against New Zealand's current policies as well as the priorities and objectives listed above. These are in addition to the various side events that New Zealand is hosting and your other programme elements that also support the agreed objectives.
- 4. The statements, declarations, and initiatives that New Zealand has been invited to support are set out below in five categories:
  - 4.6. Initiatives for Ministerial consideration and agreement in this submission;
  - 4.7. Initiatives that have already been agreed by Ministers;
  - 4.8. Initiatives that will be agreed by Ministers in future submissions;
  - 4.9. Initiatives that aren't seeking Ministerial approval (for awareness); and
  - 4.10. Initiatives officials are not recommending New Zealand join.
- 5. The first three of these, together with New Zealand's climate finance commitment, updated Nationally Determined Contribution (NDC) and published Long Term Low Emissions Development Strategy (LT-LEDS), are suggested will constitute the package of New Zealand "announceables" for COP26.

<sup>&</sup>lt;sup>1</sup> Ministry of Foreign Affairs and Trade (MFAT), Ministry of Business Innovation and Employment (MBIE), Ministry of Primary Industries (MPI), Treasury, Ministry for the Environment (MfE), Ministry of Transport (MoT), Department of Conservation (DoC), and New Zealand Trade and Enterprise (NZTE). RESTRICTED

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# COP26: Proposed New Zealand Announcements

COP26 Initiatives, Statements and Declarations for your consideration and agreement in this submission

#### World Leaders' Statement/Glasgow Breakthroughs

- As part of the World Leaders' Summit, the UK is asking countries to sign up to the World Leaders' Statement. The UK is asking New Zealand to sign up to this statement despite not being represented at leader-level at the Summit.
- 7. The statement includes a set of 'Glasgow Breakthroughs', which are global goals that aim to make clean technologies and sustainable solutions the most affordable, accessible, and attractive option in each emitting sector globally before 2030. The Glasgow Breakthrough goals are:
  - 7.11. **Power:** Clean power is the most affordable and reliable option for all countries to meet their power needs efficiently by 2030.
  - 7.12. **Road Transport:** Zero emission vehicles are the new normal and accessible, affordable, and sustainable in all regions by 2030.
  - 7.13. **Steel:** Near-zero emission steel is the preferred choice in global markets, with efficient use and near-zero emission steel production established and growing in every region by 2030.
  - 7.14. **Hydrogen:** Affordable renewable and low carbon hydrogen is globally available by 2030.
- 8. Under each of these goals is an invitation to the International Energy Agency to work in collaboration with the International Renewable Energy Agency (IRENA) and the United Nations High Level Climate Action Champions, and other institutions, bodies and industry leaders, to assess global progress towards each breakthrough goal. Metrics are listed in the statement document. The full statement is in **Annex 1**.
- 9. These four goals <sup>s6(a)</sup>, and likely to achieve widespread endorsement. MBIE has confirmed that the Power, Steel, and Hydrogen goals and metrics are in line with current policies. MoT and EECA have confirmed that the Road Transport goal and metrics are in line with current policies.
- 10. This submission seeks your agreement for New Zealand to join the statement, in concurrence with the Prime Minister, Minister of Energy and Resources, and the Minister of Transport.

#### Carbon Neutrality Coalition COP26 Communique: Realizing True Zero

- 11. This declaration seeks alignment of countries net zero goals and Nationally Determined Contributions with the 1.5 degrees temperature limit, enhance cooperation to reach such goals, and commitment to revisit them in light of the 2023 Global Stocktake under the Paris Agreement. New Zealand is a founding member of the Toward Carbon Neutrality Coalition, and a long-standing advocate of 1.5 degrees aligned action. The temperature goal already anchors our long-term goals and is a key driver of the upcoming decision on updating our NDC.
- 12. Officials assess that the current statement is in line with New Zealand's current plans and targets and recommend signing this declaration. The full Communique is in **Annex 1**.
- 13. This submission **seeks your agreement for New Zealand to sign the communique**, in concurrence with the Prime Minister.

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### COP26: Proposed New Zealand Announcements

#### Glasgow Leaders' Declaration on Forests and Land Use

- 14. The UK will be releasing the Glasgow Leaders' Declaration on Forests and Land Use at the World Leaders' Summit during the forests and land-use event on 2 November. The full Declaration is in Annex 1. The UK also intends to produce a video montage of leader statements endorsing the Declaration and highlighting its importance for their country, which will be played at various times during the COP26.
- 15. Officials suggest that the Prime Minister endorses this declaration, as it provides useful highlevel statements about the critical role of forests and sustainable land use for climate change mitigation and adaptation, biodiversity, indigenous peoples and local communities, and enabling the world to meet its sustainable development goals. <sup>s9(2)(g)(i)</sup>
- 16. We also suggest that the Prime Minister requests the declaration references the United Nations Forum on Forests (UNFF) alongside the other relevant initiatives mentioned, as the UNFF is the leading global forum on sustainable forest management.
- 17. The declaration wording on "Facilitating trade and development policies that promote sustainable commodity consumption and do not drive deforestation and land degradation" has not been an area of focus for New Zealand to date (as we do not import large quantities of products such as soy and beef from developing countries which pose a high risk of driving deforestation). However, the government is developing a national legal harvest assurance system for wood products produced and imported in New Zealand. We also consider the declaration makes sufficient reference to New Zealand relevant "sustainable forest management" practices, and does not create a legal obligation to undertake forest policies.
- 18. The Minister of Forestry has separately reviewed the declaration, and supports the Prime Minister signing the declaration. This submission **seeks your agreement for the Prime Minister to consider endorsing the declaration**.
- 19. The Prime Minister has separately been asked to provide a 30 second video to accompany the declaration. Advice on a number of Prime Minister video requests will be transacted separately with the Prime Minister's office.

#### Statement on International Public Support for the Clean Energy Transition

- 20. This statement, proposed by the UK as COP President, commits New Zealand to align our international public support towards the clean energy transition and out of unabated fossil fuels. The full statement is in **Annex 1**.
- 21. Specifically, the statement commits New Zealand to:
  - 21.15. Prioritise our support fully towards the clean energy transition;
  - 21.16. "Do no significant harm" to the goals of the Paris Agreement, local communities and local environments;
  - 21.17. End support for the international unabated fossil fuel energy sector by the end of 2022, except in limited and clearly defined circumstances that are consistent with the 1.5°C warming limit and the goals of the Paris Agreement
  - 21.18. Encourage other governments, their official export credit agencies, and public finance institutions to implement similar commitments; and
  - 21.19. Drive multilateral negotiations in international bodies, in particular in the OECD, to review, update, and strengthen their governance frameworks to align with the

#### RESTRICTED

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## COP26: Proposed New Zealand Announcements

Paris Agreement goals, and guide our approach on the boards of multilateral development banks.

- 22. Specifically, 'public support' within the statement refers to Official Development Assistance (ODA) and export credits (New Zealand Export Credit [NZEC]). Both MFAT and NZEC officials have indicated their support for the statement and implementation of the commitments within.
- 23. MFAT officials believe our current aid programme aligns with the commitment and the caveat regarding a fossil fuel support (italicised above in para 21.17) is necessary, given it is likely the Pacific will still require fossil fuel related support in the energy sector into the future.
- 24. NZEC has advised that it currently does not provide any support directly to companies in the fossil fuel sector, however it has previously supported exporters engaged in the provision of goods and services to the fossil fuel sector. This was via four of its guarantee products and supported a total of \$65 million in exports. While the number of exporters was low (four), NZEC has supported a further five exporters who supply to the oil and gas sector as part of their wider exporting business. These exporters span the telecommunications, engineering, specialised manufacturing, and aviation services sector. Accordingly, NZEC notes that bringing its policies in line with this statement is likely to impact some of New Zealand's exporter businesses in the future. Further analysis on the impact of this is required.
- 25. The statement leaves <sup>s9(2)(g)(i)</sup> ambiguity on the exact definition of the fossil fuel sector, and therefore what would amount to export credit support for the fossil fuel sector (including how far down the supply chain this goes). This is therefore up to individual signatories to establish within their own policies. NZEC will provide separate advice to Ministers on how it will choose to implement this commitment before the end of 2022, in line with the statement's implementation period. In addition, NZEC will align its strategy with this statement to further support the development of both emerging and existing clean technologies for exporting companies.
- 26. While trade promotion is not explicitly covered by this commitment, NZTE has noted that it agrees in principle with the statement and that it will work in the coming year to develop operational guidelines on how NZTE engages with customers that demonstrate poor sustainability practices. While not all public support may be covered by the statement, it will be important that going all government agencies providing support to exporting businesses work together to ensure their strategies for support are aligned.
- 27. This submission **seeks your agreement for New Zealand to join the statement**, in concurrence with the Minister of Finance, Minister of Foreign Affairs, and Minister for Trade and Export Growth.

### **Champions Group on Adaptation Finance**

- 28. New Zealand has been approached by The Netherlands to join the informal Champions Group on Adaptation Finance, a group of countries<sup>2</sup> that provide climate finance calling for more adaptation finance. The Group was launched in September at UNGA with the goal to increase the total share of climate finance spent on adaptation and resilience. The Group has the following objectives:
  - 28.20. Increase the total share of climate finance spent on adaptation and resilience, particularly for Least Developed Countries (LDCs) and Small Island Developing States (SIDS) by committing to a balanced approach in their own public climate finance, leading by example, and encouraging others to join them in this effort; and

<sup>&</sup>lt;sup>2</sup> Denmark, Finland, Germany, Ireland, the Netherlands, Sweden, and the United Kingdom RESTRICTED

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# COP26: Proposed New Zealand Announcements

- 28.21. Advocate for improved quality and accessibility of adaptation finance.
- 29. Adaptation is an important issue for the Pacific, and New Zealand consistently calls for an increase in adaptation finance and for more finance to be provided to SIDS. New Zealand's updated climate finance commitment reflects this with targets of 50% towards adaptation and at least half to Pacific Island countries (as part of SIDS) in line with the two main aims of the Group. The Group will be hosting a side event at COP26 on Monday 8 November.
- 30. This submission **seeks your agreement to join the Champions Group**, in concurrence with the Minister of Foreign Affairs.

# Ministerial Statement from Climate Ministers on the Agreement on Climate Change, Trade and Sustainability (ACCTS)

- 31. The Joint Climate Change Ministerial Statement by the ACCTS countries has been drafted by New Zealand. The statement language is currently under consultation with the ACCTS countries. The final proposed statement language will be presented to you ahead of the side event at COP26. New Zealand and Fiji are co-hosting the side event in the Pacific Pavilion, with Ministerial participation expected from all six ACCTS countries. The side event provides an opportunity to highlight the trade initiative to a climate-focused audience. This event and statement is an opportunity for New Zealand, alongside the ACCTS countries, to demonstrate our leadership on ground-breaking initiatives at the nexus of trade and environmental and sustainable development policy. Current draft of the Joint Statement is in Annex 1.
- 32. This submission **seeks your agreement that New Zealand will sign the statement**, in concurrence with the Minister for Trade and Export Growth.

# Welcoming the establishment of International Financial Reporting Standards (IFRS) International Sustainability Standards Board

- 33. The IFRS Foundation plans to announce the establishment of an International Sustainability Standards Board (ISSB) at COP26. The COP26 Presidency will issue a public statement summarising key headlines of Finance Day at the Summit, including the Foundation's announcement of the establishment of the ISSB. This statement will include a list of jurisdictions that welcome this announcement within the statement.
- 34. New Zealand is currently in the process of legislating mandatory climate-related disclosures through the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Bill. The ISSB proposal to provide a baseline global reporting standard for sustainability may support New Zealand's climate-related disclosure requirements for large financial market participants implemented through this Bill. As has been the case with IFRS standards in the past, international sustainability and climate reporting standards have the potential to improve comparability, strengthen accountability and help investors identify climate-related risks and opportunities across the world.
- 35. This submission seeks your agreement for New Zealand to welcome the establishment of the International Financial Reporting Standards (IFRS) International Sustainability Standards Board (ISSB) in concurrence with the Minister of Finance.

#### Global Energy Compact for No New Coal Power;

- 36. This Global Energy Compact for No New Coal Power recognises the impacts of new thermal coal-fired power generation and seeks a commitment from countries to:
  - 36.22. Immediately cease issuance of new permits for unabated coal-fired power generation projects; and

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### COP26: Proposed New Zealand Announcements

- 36.23. Cease new construction of unabated coal-fired power generation projects as of the end of year.
- 37. The full text of the compact is in **Annex 1**.
- 38. MBIE have informed us that the statement text, and specifically the two commitments relating to cessation of coal activities, is in line with MBIE's energy policy with no new coal-fired power generation projects in construction or any new builds in New Zealand's future energy policy.
- 39. This submission **seeks your agreement for New Zealand to sign the compact**, in concurrence with the Minister for Energy.

#### **Global Coal to Clean Power Transition Statement**

- 40. The Global Coal to Clean Power Transition Statement seeks a commitment from countries:
  - 40.24. To rapidly scale up deployment of clean power generation and energy efficiency measures in our economies, and to support other countries to do the same;
  - 40.25. To rapidly scale up technologies and policies to further accelerate the transition away from unabated coal power generation in this decade, to achieve an overwhelmingly decarbonised power system in the 2030s (or as soon as possible thereafter) for major economies and in the 2040s (or as soon as possible thereafter) globally, consistent with our Net Zero commitments and the Paris Agreement;
  - 40.26. To cease issuance of new permits for new unabated coal-fired power generation projects, cease new construction of unabated coal-fired power generation projects and to end new direct government support for unabated international coal-fired power generation, recognising the efforts of countries signed up to the No New Coal Power Compact;
  - 40.27. To strengthen our domestic and international efforts to provide a robust framework of financial, technical, and social support to affected workers, sectors and communities to make a just and inclusive transition away from unabated coal power in a way that benefits them, and expands access to clean energy for all.
- 41. MBIE have informed us that the statement text is in line with MBIE's energy policy, including "achieving an overwhelmingly decarbonised power system in the 2030s" and the above support for the commitments of the 'No New Coal Power Compact'. MBIE noted that MBIE's just transitions work does not yet extend to the coal sector, but as it's only a commitment to strengthen efforts, the text is in line with current policy. The full text is in **Annex 1**.
- 42. This submission **seeks your agreement for New Zealand to join the statement**, in concurrence with the Minister for Energy.

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### Initiatives that have already been agreed by Ministers

#### Agriculture Innovation Mission (AIM) for Climate

- 43. New Zealand has joined the US and UAE-led "Agricultural Innovation Mission (AIM) for Climate", which will be launched at COP26 to increase political commitment for greater investment in climate-smart agricultural innovation. The launch will include short videos from countries in support for AIM for Climate<sup>3</sup>.
- 44. Participants are encouraged to announce an increase in investment to climate-smart agricultural innovation from 2021-2025 (using 2020 as a baseline).
- 45. Participation provides an avenue to highlight New Zealand's commitment to managing agricultural emissions and showcase our expertise in capacity building to reduce agriculture emissions, including through the Global Research Alliance on Agricultural Greenhouse Gases (GRA), which has joined AIM for Climate as a knowledge partner.
- 46. Ministers of Agriculture and Climate Change have **already agreed** to New Zealand joining AIM for Climate. The Prime Minister announced New Zealand's support for this initiative at the recent United Nations Food Systems Summit on 23 September.

# Policy Action Agenda on the Transition to Sustainable Agriculture through Repurposing Public Policies and Support and Scaling Innovation

- 47. New Zealand has participated in the UK Policy Dialogues on the Transition to Sustainable Agriculture though Repurposing Public Policies and Support<sup>4</sup>. The outcome of these dialogues will be launched at COP26 Nature Day (6 November 2021) in the form of a Policy Action Agenda and compendium of country case studies (which will include a summary of New Zealand's agricultural subsidy reforms). The extent of high-level engagement required during this event is uncertain.
- 48. In previous engagements, officials promoted the importance of improved measurement of agricultural greenhouse gases to support mitigation ambition in agriculture, and Minister O'Connor emphasised New Zealand's position on the elimination of environmentally harmful agricultural subsidies in a speech on 16 September to the Second Ministerial Roundtable.
- 49. In line with **previous approval** from the Minister of Agriculture, officials will:
  - 49.28. Endorse the Policy Action Agenda on the Transition to Sustainable Agriculture Through Repurposing Public Policies and Support and Scaling Innovation;
  - 49.29. Share a case study on New Zealand's history of agricultural subsidy reforms to be presented in a compendium of country case studies by the COP26 Presidency.

#### OECD Export Credit Arrangement proposal on ending coal support

50. The European Union has proposed to Participants of the OECD Arrangement on Officially Supported Export Credits to agree ceasing official export credit and tied aid financing of unabated coal-fired electricity generation and for thermal coal mining, including associated storage and transport infrastructures.

 <sup>&</sup>lt;sup>3</sup> Countries that have signalled commitment to date include Australia, Bangladesh, Brazil, Burkina Faso, Colombia, Denmark, Finland, Georgia, Ghana, Honduras, Hungary, Ireland, Israel, Japan, Kenya, Lithuania, Mexico, Morocco, New Zealand, Philippines, Republic of Korea, Romania, Singapore, Sweden, The Bahamas, Ukraine, United Arab Emirates, United States, Uruguay, Vietnam.
 <sup>4</sup> Some key partners currently include Brazil, Colombia, Costa Rica, India, Germany, Japan, Morocco, New Zealand, Nigeria, Philippines, Sierra Leone, Switzerland, United Kingdom, United States.
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- 51. In a separate submission to the Minister of Finance, referred to yourself, Minister of State for Trade and Export Growth, and the Minister of Foreign Affairs, **it was agreed** that New Zealand would support this proposal.
- 52. On 20 October, OECD Participants reached a consensus on a compromise proposal to end support for unabated coal-fired power plants, however, not thermal coal mining, including associated storage and transport infrastructures <sup>s6(a)</sup>

This agreement will go into effect once all participants have completed their internal agreement processes, which they aim to do by the end of October 2021.

#### Clydebank Declaration on Green Shipping Corridors

- 53. The UK is seeking support for the Clydebank Declaration to work toward decarbonising international shipping corridors. In practice, this will establish an international coalition between two or more climate ambitious states, to work in partnership to establish green corridors on shared maritime routes. The United Kingdom will launch the declaration at COP26.
- 54. Signatories will agree to actions to decarbonising shared maritime routes, in conjunction with the relevant ports and operators. Members of the declaration are also expected to work towards fully decarbonised, alternative fuels for shipping.
- 55. The Minister of Transport has **already agreed** in September to New Zealand joining the Declaration.

# International Aviation Climate Ambition Coalition (ICAO) and associated Aviation Net Zero Declaration

56. The ICAO and associated Aviation Net Zero Declaration supports the following:

- 56.30. Working together, both through ICAO and other cooperative initiatives, to advance ambitious actions to reduce aviation emissions consistent with efforts to limit the global average temperature increase to 1.5°C;
- 56.31. Net zero international aviation emissions by 2050;
- 56.32. Implementing the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA);
- 56.33. Investigating a sustainable biofuels mandate to support alternative fuels for aviation;
- 56.34. Preparing up-to-date state action plans detailing national state action plans to reduce aviation emissions, and;
- 56.35. Convening periodically at ministerial and official levels to advance and review progress on the Declaration commitments.
- 57. The declaration will be announced during COP26 on 10 November.
- 58. The Minister of Transport **has verbally agreed** as of 21 September 2021 to join the International Aviation Net Zero Coalition and Declaration. This submission seeks confirmation from the Minister of Transport and yourself on this agreement.

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Initiatives that will be considered by Ministers in the future/other submissions

#### Declaration on Accelerating the Transition to 100% Zero Emission Cars and Vans

- 59. This declaration seeks a commitment from representatives of governments, businesses, and other organisations "with an influence over the future of the automotive industry and road transport", to rapidly accelerating the transition to zero emission vehicles to achieve the goals of the Paris Agreement. The ambition level set is to work towards all sales of new cars and vans being zero emission globally by 2040, and by no later than 2035 in leading markets.
- 60. This declaration is set to be announced as part of a flagship event on Transport Day (10 November), which we recommend your attendance at. The event will be both physical and digital, and the exact agenda of the event is still being finalised. The goal is to have strong representation from countries who also sign a complementary heavy vehicle declaration led by Electric Vehicles Initiative (EVI, an initiative associated with the OECD). The event will also include industry participants. UK officials have signalled you will be invited to speak at this event.
- 61. A separate submission has been sent to the Minister of Transport and Minister of Energy and Resources seeking agreement to sign the declaration with a referral to yourself.

#### The Global Methane Pledge

62. The Global Methane Pledge seeks to reduce global methane emissions by 30 percent by 2030. In a separate submission you have agreed to New Zealand joining the pledge and have referred this to sectoral Ministers for concurrence.

#### Joining the Beyond Oil and Gas Alliance

- 63. The Beyond Oil and Gas Alliance promotes supply-side measures to ensure a Paris-aligned transition out of oil and gas (e.g. stopping exploration, or fossil fuel subsidies).
- 64. You and the Minister of Energy and Resources will receive separate advice recommending that New Zealand join the Alliance as an associate member.

#### Joint Declaration on Cooperation in the Fight against Climate Change

65. The proposed joint declaration is a non-binding declaration between New Zealand, California and Quebec. It is a political signal about our shared interest on climate change. Its release will support New Zealand's positive relationship and work with these <sup>s9(2)(j)</sup> partners.

66. The joint declaration  ${}^{s9(2)(j)}$  is designed to send a positive signal in advance of closer cooperation between our jurisdictions on carbon pricing and ETS.  ${}^{s9(2)(j)}$ 

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# COP26: Proposed New Zealand Announcements

### Initiatives for which Ministerial approval is not sought (for awareness)

69. The following initiatives are usually agreed below Ministerial level but are provided for completeness and your awareness.

#### **OECD Development Assistance Committee Declaration for COP26**

- 70. The OECD's Development Assistance Committee (DAC) is articulating a new approach to align international development cooperation with the objectives of the Paris Agreement. The statement is consistent with New Zealand's existing development policy positions. The OECD are yet to decide how they will announce the declaration, but expect it will involve an official submission to COP and a proactive communications plan.
- 71. Key features of the declaration are:
  - 71.36. Ending support for new coal mines and unabated thermal coal power generation through ODA by end 2021.
  - 71.37. Retaining ODA eligibility for the use of all other fossil fuels in power generation for now. Future work will be done to identify whether and how these rules should be tightened further in the future to align to the Paris Agreement. This could limit the scope of New Zealand's future energy sector development cooperation in the Pacific, such as supporting grid-connected diesel power. We are comfortable with these limitations. <sup>s6(b)(ii)</sup>
  - 71.38. Committing to both the Sustainable Development Goals (SDGs) and the Paris Agreement, noting they are intrinsically linked.
  - 71.39. Noting that many SIDS have contributed the least to climate change but suffer disproportionately from its impacts
  - 71.40. Confirming that just transitions must be led by developing countries.
  - 71.41. Affirming the importance of action on oceans, biodiversity, and water and food security in addressing climate change.
  - 71.42. Committing both to scale up climate finance, and use existing resources more effectively.
- 72. Because the OECD DAC works by consensus, the declaration will need to be approved by New Zealand and the other 29 DAC members.

# Friends of Fossil Fuel Subsidy Reform (FFSR) endorsement of the United Nations Development Programme (UNDP) "Let's Talk Extinction" Campaign

73. The Friends<sup>5</sup> of Fossil Fuel Subsidy Reform are considering the release of a short communication expressing support for UNDP "Let's talk extinction". This creative campaign delivers a serious message to a development-focused audience on the importance of addressing climate change by phasing out fossil fuel subsidies. The FFSR issue has a development and 'just transition' element. This endorsement will enable New Zealand and Friends of FFSR to note our acknowledgement of reform occurring in an inclusive and 'just' manner to enable mutually- supportive outcomes for sustainable development.

<sup>&</sup>lt;sup>5</sup> Friends' members: Costa Rica, Denmark, Ethiopia, Finland, Netherlands, New Zealand, Norway, Sweden, Switzerland and Uruguay.

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74. The endorsement is consistent with our existing leading position on advocacy for FFSR and officials have expressed New Zealand's support for endorsement. If the Friends collectively agree to endorse this campaign, the publicity around this UNDP campaign and Friends' endorsement will also provide an additional platform for New Zealand to highlight our existing initiatives on FFSR in Asia-Pacific Economic Cooperation (APEC) and World Trade Organisation (WTO) this year.

#### International Chief Science Advisors' Statement

- 75. The Prime Minister's Chief Science Adviser (PMCSA) has been invited to sign a statement of Chief Science Advisors which calls researchers, industry leaders, policymakers and political leaders to work with communities to:
  - 75.43. Develop ambitious evidence-based Long-Term Strategies aligned with 1.5 degrees scenarios.
  - 75.44. Increase international collaboration to accelerate development, demonstration and deployment of effective mitigation and adaptation solutions.
- 76. We understand that the PMCSA's office contributed to the drafting of the statement and the PMCSA will be signing this statement.

Initiatives officials are not recommending New Zealand join

#### **Forest Finance Pledge**

- 77. We have been approached by the UK to join a pledge of donor countries to mobilise at least US\$15 billion collectively for forest-related climate finance between 20212025. The pledge aims to address concerns that within climate finance, forestry is underfunded<sup>6</sup>, and to highlight the potential biodiversity, adaptation and sustainable development co-benefits of forest-based climate change mitigations.
- 78. Although countries do not have to announce their individual contributions to the pledge, officials assess for New Zealand to credibly sign on and contribute to this pledge an earmarking of at least NZ\$30 million towards forestry within our climate finance would be necessary.
- 79. In the past forestry has not been a priority for our climate finance. Within our current levels of support and priorities of the Aid Programme (specifically Pacific and adaptation), the most significant forestry project New Zealand does is the Forest Conservation Activity in the Solomon Islands which is looking to spend just over NZ\$1 million over five years (2021-2025). Therefore, based on current spending levels officials do not believe New Zealand is in a credible position to sign onto the forestry pledge at COP26.
- 80. Given Cabinet's recent decision to significantly increase our climate finance (NZ\$1.3 billion, 2022-2025) there is scope to explore opportunities, including with MPI, to increase support for forestry and wider sustainable land use and biodiversity priorities in the future. However, decisions by the Minister of Foreign Affairs are yet to be made on any possible sectoral priorities within the new commitment.
- 81. We are aware of a few multilateral funds which could provide options for providing forestrelated climate finance, if Ministers are interested in signing up to this pledge. However, as officials do more work in the coming year on different projects and allocations for the new climate finance commitment, we will then be in a better position to provide strategic advice about which sectors and projects to allocate NZ's climate finance funds to.

<sup>&</sup>lt;sup>6</sup> The UK estimate it receives less than 5% of global climate finance. RESTRICTED

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82. Officials therefore **recommend that New Zealand does not sign onto the Forest Finance Pledge** at this stage, however, we could keep the option open to join the pledge and allocate climate finance to forest projects in the future if it aligns with the government's priorities. This submission seeks your agreement to this in concurrence with the Minister of Foreign Affairs.

#### **Declaration on Supporting the Conditions for a Just Transition Internationally**

- 83. This Just Transition Declaration sets out how donor countries will support developing and emerging economies transition their workers as we make the global transition to net zero. By signing the Declaration, donor countries commit to seeking to ensure that they embed a just transition-focused framework into their various funding streams (aid budgets, international climate financing, etc.).
- 84. Principles include:
  - 84.45. Supporting workers in the transition to new jobs;
  - 84.46. Supporting and promoting social dialogue and stakeholder engagement;
  - 84.47. Supporting the creation of long-term strategies that ensure sustainable and inclusive economic growth;
  - 84.48. Supporting the creation of decent, formalised and sustainable work, coupled with effective reskilling and retraining;
  - 84.49. Ensuring supply chains required for the clean transition create decent work for all and building climate resilience into supply chains across all industries;
  - 84.50. Including information on just transition efforts when reporting on our progress against our Paris Agreement commitments.
- 85. The Declaration will be launched by the UK's Secretary of State on Energy Day at COP26, Thursday 4th November.
- 86. The Declaration promotes development support in a number of areas (targeting the working conditions of disadvantaged workers; supporting workers to transition from informal to formal sector jobs; providing effective support for reskilling and training; and promoting dialogue between governments and unions/employer organisations) that makes up a limited programme of work in our development programme. While the Declaration does not formally commit us to any specific actions on labour issues through our development programme, s6(a), s9(2)(g)(i)
- 87. In the Pacific, a top priority for long-term transitions is adaptation to sea level rise. This is not reflected in this declaration, given transitioning to new local industries is a secondary consideration for Pacific communities considering how to respond through e.g. land remediation, land reclamation, and, more long-term, climate-related migration. For this reason the Declaration may not resonate with key partners in our region.
- 88. Given these reasons, officials recommend that New Zealand does not sign onto the **Declaration.** This submission seeks your agreement in concurrence with the Minister of Foreign Affairs.

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#### Third Because the Ocean Declaration

- 89. Because the Ocean is an initiative joined by a group of 39 countries<sup>7</sup>, including New Zealand, who since COP21 (2015) has encouraged and advocated the link between ocean and climate change. New Zealand has signed onto both previous Declarations at COP21 and COP22.
- 90. Supporting the Third 'Because the Ocean' Declaration would align strongly with New Zealand's commitment to standing with the Pacific on climate change. Ensuring better inclusion of the ocean within UNFCCC processes is a key priority for the Pacific. Fiji in particular has been a strong advocate for ocean issues. <sup>s9(2)(g)(i)</sup>

Especially as

we are a signatory to the initiative and have supported the previous two Declarations.

91. There are however, two references within the Declaration that call for advocacy for a target to protect at least 30 percent of the global ocean by 2030 (a 30 by 30 target). A 30 by 30 target is being considered in ongoing negotiations on the Post-2020 Global Biodiversity Framework under the Convention on Biological Diversity. <sup>s6(a)</sup>

92. Given these reasons, officials recommend that New Zealand does not sign onto the Declaration. <sup>s6(a)</sup>

This submission seeks your agreement in concurrence with the Minister for the Environment, the Minister of Foreign Affairs and the Minister of Conservation.

93.s6(a), s9(2)(g)(i)

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New Zealand remains committed to ensuring better integration of the ocean in the UNFCCC and will work to do so.  ${}^{s6(a), s9(2)(g)(i)}$ 

<sup>&</sup>lt;sup>7</sup> Aruba, Australia, Belgium, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Fiji, Finland, France, Guatemala, Guinea Bissau, Haiti, Honduras, Indonesia, Italy, Jordan, Kiribati, Luxembourg, Madagascar, Marshall Islands, Malta, Mexico, Monaco, Morocco, The Netherlands, New Zealand, Norway, Palau, Peru, Romania, Senegal, Seychelles, Singapore, Spain, Sweden, Uruguay, UK. RESTRICTED



29 October 2021

Minister of Climate Change

For approval by

1 November 2021

# COP26: Proposed New Zealand Announcements: Second tranche

BRIEFING Decision Submission

PURPOSE This submission seeks agreement to two New Zealand announcements and initiatives at COP26 in Glasgow, UK (31 October–12 November 2021) in addition to those addressed by our submission of 22 October.

# Tukunga tūtohua – Recommended referrals

Prime Minister	For concurrence by	2 November 2021
Minister of Agriculture	For concurrence by	2 November 2021
Minister of Energy and Resources	For concurrence by	2 November 2021
Minister for the Environment	For concurrence by	2 November 2021
Minister of Transport	For concurrence by	2 November 2021

# Taipitopito whakapā - Contact details

NAMEROLEEmma DunlopUnit Manager, Climate ChangeBennettDivisionAnna BroadhurstClimate Change Adviser

DIVISION Climate Change Division Climate Change Division WORK PHONE s9(2)(a)

# Mā te Tari Minita e whakakī – Minister's Office to complete

Approved	Noted	Referred
Needs amendment	Declined	Withdrawn
Overtaken by events	See Minister's notes	
Comments		



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## COP26: Proposed New Zealand Announcements: Second tranche

# Pito matua – Key points

- The 26th Conference of the Parties in Glasgow, United Kingdom, 31 October–12 November 2021 (COP26), provides the opportunity for New Zealand to advocate for greater global climate action, advance its interests in international negotiations, to affirm its position as a global leader on climate change, and to stand with the Pacific.
- COP26 will launch a number of collaborative initiatives and statements. Ministers are currently considering whether New Zealand should join some of these to advance its COP26 objectives. MFAT's submission of 22 October refers.
- Decisions are also needed on two invitations received subsequently. These are the High Ambition Coalition (HAC) COP26 Statement, and the Declaration on Zero Emission Shipping by 2050.
- New Zealand is a founding member of the HAC. It makes statements at every high level multilateral climate change event. New Zealand has supported all previous statements, consistent with our advocacy for ambition. The text for the COP26 statement is still being finalised to secure signatures from all members. It is to be presented as a leaders-level statement. The operative content focuses on aspirations to phase out unabated coal fired power plants and ending public investment in overseas coal projects; to halt fossil fuel subsidies, reducing global methane emissions by at least 30 percent from 2020 levels by 2030, and to support policies to reduce emissions in transport sectors.
- The Declaration on Zero Emission Shipping by 2050 commits participants to strengthen global efforts to achieve zero emissions from international shipping by 2050, including at the International Maritime Organization (IMO).
- The undertakings are consistent with existing New Zealand policies and international commitments or collaborative initiatives under active consideration by ministers.
  - Joining the Powering Past Coal Initiative in 2017 committed New Zealand to work towards the phase out of unabated coal power, and the Declaration aligns with the Government's policies to pursue 100% renewable based electricity generation and overall commitment to alignment with a 1.5°C trajectory;
  - If ministers decide New Zealand will join the Global Methane Pledge at COP26, this will include a commitment to support the 30 percent reduction in global methan emissions;

New Zealand maintains a position it has no fossil fuel subsidies;

The Declaration aligns with the Government's transport policies and positions New Zealand has already signalled in the International Maritime Organisation and International Civil Aviation Organisation.

Victoria Hallum for Secretary of Foreign Affairs and Trad

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# COP26: Proposed New Zealand Announcements: Second tranche

# Tūtohu – Recommendations

It is recommended that you:

For concurrence by the Prime Minister, the Minister of Agriculture, the Minister of Energy and Resources, the Minister for the Environment, and the Minister of Transport:

1 Agree that if the final text does not include changes inconsistent with our Yes / No interests, and if Ministers decide that New Zealand should join the Global Methane Pledge, then the Prime Minister will join the High Ambition **Coalition Leader's Statement** 

For concurrence by the Minister of Transport:

2 Agree New Zealand will sign the Declaration on Zero Emission Shipping Yes / No by 2050 doythe Minister

Hon James Shaw Minister of Climate Change Date: 1 1

Rt Hon Jacinda Ardern **Prime Minister** Date:

Hon Megan Woods Minister of Energy and Resources Date: 1 1

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# COP26: Proposed New Zealand Announcements: Second tranche

Proactively released by the Minister of Climate Change

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# COP26: Proposed New Zealand Announcements: Second tranche

# Pūrongo – Report

- The United Kingdom is hosting the United Nations Framework Convention on Climate Change (UNFCCC) 26th Conference of the Parties (COP26), 31 October–12 November 2021. COP26 will launch a number of collaborative initiatives and statements. Ministers are currently considering whether New Zealand should join some of these to advance its COP26 objectives. MFAT's submission of 22 October refers.
- 2. Decisions are also needed on two invitations received subsequent to MFAT's previous advice. These are the High Ambition Coalition (HAC) COP26 Leaders Statement, and the Declaration on Zero Emission Shipping by 2050. The statement is expected to be issued following World Leaders' Summit (1-2 November 2021). A decision on the shipping declaration is required before the COP's Transport Day on 10 November.

#### **High Ambition Coalition Leaders' Statement**

- 3. The HAC was formed in the run-up to the Paris Agreement, and helped to secure key elements of the Paris Agreement deal including the 1.5 degree temperature goal and net zero global emissions in the second half of the century. The Coalition promotes ambition and policy action aligned with the goals of the Paris Agreement. New Zealand is a founding member of the HAC and has joined all statements made by this group to date.
- 4. One way in which the HAC will push for ambition at COP26 is through issuing a Leaders' Statement (Annex A).
- 5. The final wording of the statement is still being negotiated amongst members. It is unlikely to change in ways that would make it difficult for New Zealand to join. We propose the Minister of Climate Change is authorised to exercise his discretion to sign up after confirming the final text does not make changes inconsistent with our interests.
- 6. The operative parts of the statement are contained in paragraph 8, which highlights four commitments.

	Commitments (see Annex 1/para 8)	Officials' view
2roactiv	a. Halt investment in new unabated coal-fired power plants, and phase out unabated coal-fired power plants in line with the requirements for a 1.5°C trajectory. Halt public support for all overseas unabated coal projects in the energy sector.	This relates to coal power generation, and financing of coal projects overseas. This commitment aligns with commitments by New Zealand in joining the Powering Past Coal Alliance at COP23 in 2017. MBIE is comfortable making this commitment, considers it aligns with the Government's policies to pursue 100% renewable based electricity generation and overall commitment to alignment with a 1.5°C trajectory. $s9(2)$ (g)(i)

7. Of these four commitments - which are understood by HAC members as aspirational and not binding – officials' views are that:

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		MFAT is also comfortable the text aligns with the New Zealand Aid Programme practice of not investing in coal projects.	.0
b.	Halt fossil fuel subsidies.	This is covered by New Zealand's current policy practice of non-provision of fossil fuel subsisides.	2105
С.	Commit to a collective goal of reducing global methane emissions by at least 30 percent from 2020 levels by 2030, and to take aggressive action to reduce emissions of all super-pollutants, also including hydrofluorocarbons and black carbon.	This undertaking substantively mirrors the key commitment in the Global Methane Pledge. MBIE, MPI, and MfE are comfortable supporting the HAC Declaration in respect of this for the same reasons set out in the submission on <i>COP26: Proposed New Zealand Announcements</i> and <i>Agreement to Join the 'Global Methane Pledge</i> ).	
d.	Support ambitious policies to reduce emissions in transport sectors, including to take more ambitious climate action in shipping and aviation.	The Ministry of Transport is comfortable supporting this initiative. It aligns with the Government's transport policies and positions New Zealand has already signalled in the International Maritime Organisation and International Civil Aviation Organisation	

8. The Declaration contains a number of additional calls to action at a national level, that MfE and MFAT consider pose no difficulty for New Zealand:

Delivering mid-century net zero greenhouse gas emissions goals with strategies for their implementation that align	Cabinet has approved New Zealand's Long Term Low Emissions Development Strategy
Submitting national adaptation plans and communications in time for their consideration in the global stocktake (in 2023)	New Zealand's first adaptation communication was reported in its Seventh National Communication to the UNFCCC and, our national adaptation plan is underway and due for completion in 2022
For donor countries and others in a position to do so, to deliver on the goal of mobilising \$100 billion and those that have not yet done so to address the adaptation finance gap by scaling up adaptation finance to at least double current levels	Cabinet has approved New Zealand's \$1.3bn climate finance commitment that will more than double New Zealand's current adaptation finance.

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- 9. We recommend that the Prime Minister join the HAC Leader's Statement on behalf of New Zealand, if the final text is not inconsistent with our interests and Ministers' decision on the Global Methane Pledge, because:
  - a. Joining would support the group of high ambition countries seeking effective global climate action, and would amplify the impact of existing support for the phase out of fossil fuel subsidies and coal power and reduction of international shipping emissions.
  - b. If the Global Methane Pledge is agreed by Ministers, then the commitments in the HAC Leader's Statement are low risk.
  - c. Not joining would likely be seen as a departure from previous New Zealand practice, and may be read into as New Zealand separating from fellow high ambition countries.

#### Declaration on Zero Emission Shipping by 2050

- 10. The Declaration on Zero Emissions Shipping by 2050 has been launched by Denmark with a view to COP26 providing a strong signal to the International Maritime Organisation (IMO), which will resume negotiation of its medium and long term measures to reduce shipping emissions on 22-26 November. To date, the IMO has made limited progress in its efforts to reach agreement on reducing emissions. The positions taken by many delegations are disconnected from their approach to UNFCCC negotiations. The declaration is intended to raise COP delegates' awareness of the IMO negotiations to help bridge the gap.
- 11. The declaration is attached at Annex B. Confirmed signatories include the US, UK, Norway, Hungary, the Marshall Islands, and Finland. Danish contacts expect many more.
- 12. The Ministry of Transport leads on this issue, and supports joining the initiative. The Ministry of Transport considers it aligns with and will advance positions New Zealand has taken in the International Maritime Organisation and sees no risks with making this commitment.
- 13. The operative part of the declaration is to :

*Commit* to strengthen global efforts to achieve zero emissions from international shipping by 2050, including at IMO; in that regard, *pledge* to work at IMO to adopt such a goal, to adopt goals for 2030 and 2040 that place the sector on a pathway to full decarbonization by 2050, and to adopt the measures to help achieve these goals.

- 14. New Zealand has already signalled support for a 2050 net zero emission target for the IMO in that forum.
- 15. We recommend that New Zealand join the Declaration on Zero Emission Shipping by 2050 because:
  - a. Joining would support our efforts in the IMO to advocate for an effective response to the climate emergency by the international shipping sector.

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- b. Joining would align with New Zealand's high ambition agenda on climate change matters, and the existing Cabinet mandate for IMO negotiations [DEV-21-MIN-0115 refers].
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# Annex A – Draft High Ambition Coalition Leader's Statement

We, the undersigned, [X],

1. *Alarmed* by the latest findings of the IPCC that confirm the need for the most ambitious efforts within this decade to enable us to limit global warming to 1.5°C and prevent the most catastrophic climate impacts.

SUC

2. *Welcome* the announcements, commitments, and actions undertaken by Parties that are aligned with keeping a 1.5°C limit within reach, and promote the achievement of the Paris Agreement's temperature goals.

3. *Note* with *deep concern* the gap between existing commitments and a 1.5°C pathway, *stress* the urgent need to accelerate the reduction of greenhouse gas emissions in this decisive decade, and *recognise* the importance of ambitious action by the G20, whose members, if they align their policies with a 1.5°C pathway, could limit global warming by 2100 to 1.7°C.

4. *Recognize* the devastating impacts already being felt today by people across the globe, and resolve to take urgent action to address the climate crisis.

5. *Recognize* the imperative of all countries to adapt to the ever-increasing impacts of climate change, and the urgent need for a substantial scale-up in accessible adaptation financing to ensure that no one, especially the most vulnerable, is left behind.

6. *Recognise* the important work of the IPCC and its value as a basis for characterizing adaptation needs and strategies, *welcome* upcoming IPCC reports and the consideration of any future work dedicated to adaptation and climate tipping points.

We therefore,

7. *Stress* the need to halve global emissions by 2030, and *call on* all Parties that have yet to do so to deliver more ambitious NDCs in line with a 1.5°C trajectory as soon as possible, and well ahead of COP27.

8. *Call on* all Parties to deliver mid-century net zero greenhouse gas emissions goals with strategies for their implementation that align with a 1.5°C trajectory as soon as possible, and in time for consideration by leaders at the global stocktake in 2023.

9. *Resolve* to deliver on these commitments through national policies that reorient economies towards a low and zero-carbon future, including to:

a. Halt investment in new unabated coal-fired power plants, and phase out unabated coal-fired power plants in line with the requirements for a 1.5°C trajectory. Halt public support for all overseas unabated coal projects in the energy sector.

b. Halt inefficient fossil fuel subsidies as soon as possible.

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c. Commit to a collective goal of reducing global methane emissions by at least 30 percent from 2020 levels by 2030, and to take aggressive action to reduce emissions of all super-pollutants, also including hydrofluorocarbons and black carbon.

d. Support ambitious policies to reduce emissions in transport sectors, including to take more ambitious climate action in shipping and aviation.

10. *Call on* Parties to prepare and submit national adaptation plans and communications in time for their consideration in the global stocktake, recognizing the importance of support for, and international cooperation on, adaptation efforts, and taking into account the needs of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change.

11. *Call on* all donor countries and others in a position to do so, to deliver on the goal of mobilising \$100 billion annually to 2025 in the context of meaningful mitigation actions and transparency on implementation.

12. *Welcome* the efforts of those countries that have stepped up their adaptation finance to a balance with mitigation financing, and *call on* those that have not yet done so to address the adaptation finance gap by scaling up adaptation finance to at least double current levels.

13. *Reiterate* our commitment to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development, and commit to initiating deliberations for a post-2025 finance goal based on the best available science, an assessment of the needs and priorities of developing countries, and lessons from the \$100 billion goal with the objective to have maximum impact. We also encourage the development of new financial instruments, taking into account the need for more consistent and reliable financing streams, and call for the scaling up private sector finance.

14. *Acknowledge* that loss and damage, including slow onset events, is already being experienced in all countries and regions, but especially in vulnerable places. *Call for* enhanced interventions in relevant fields, and *recognise* the need to increase resources for averting, minimizing and addressing loss and damage.

15. Call for the finalisation of negotiations on outstanding elements of the Paris Agreement rulebook in full accordance with environmental integrity, transparency and accountability.

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# COP26: Proposed New Zealand Announcements: Second tranche

# Annex B – Declaration on Zero Emission Shipping by 2050

#### Participant States of this Declaration,

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Recall the long-term temperature goal of the Paris Agreement to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels,

Stress that in order to keep the Paris Agreement temperature goal within reach, emissions from international shipping should peak immediately, undergo significant reductions in the 2020s, and reach zero emissions by 2050,

Recognize the importance of action to reduce greenhouse gas emissions from stakeholders across the entire shipping value chain, and the related value of public-private partnerships and international and domestic cooperation,

Note with appreciation the Zero-Emission Shipping Mission that aims to demonstrate deepsea ships operating on commercially viable zero-emission fuels by 2030, and further note with appreciation the Call to Action for Shipping Decarbonization signed by more than 160 companies and organizations, which includes a request for the International Maritime Organi-zation (IMO) to set a target for zero emission shipping by 2050,

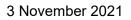
Recognize the importance of international collaboration and investment in the production of zero emission fuels, and the related importance of creating green shipping corridors and infra-structure and other efforts to ensure a critical mass of zero-emission ships are on the water by 2030, to serve as a tipping point toward full decarbonization for the sector; stress that such in-terventions can facilitate an equitable and inclusive transition to zero emission shipping by creating green growth and job opportunities in and beyond the shipping sector, including in SIDS and LDCs,

Recall the role of IMO in regulating greenhouse gas emissions from international shipping,

Recognize that climate change is a global crisis that demands efforts from all parts of the in-ternational shipping sector across the global fleet,

*Commit* to strengthen global efforts to achieve zero emissions from international shipping by 2050, including at IMO; in that regard, *pledge* to work at IMO to adopt such a goal, to adopt goals for 2030 and 2040 that place the sector on a pathway to full decarbonization by 2050, and to adopt the measures to help achieve these goals.





Minister of Climate Change

For action by

5 November 2021

# Agreement to Join the COP26 Women's Leadership Initiatives

BRIEFING Decision Submission

PURPOSE This submission seeks agreement and concurrence for the Prime Minister to sign the *Glasgow Women's Leadership Statement* and join the *Women Leading on Climate Coalition* 

# Tukunga tūtohua – Recommended referrals

Prime Minister

For concurrence by

5 November 2021

# Taipitopito whakapā – Contact details

NAME Emma Dunlop-Bennett Anna Broadhurst ROLE Unit Manager Climate Change Adviser DIVISION Climate Change Division Climate Change Division WORK PHONE s9(2)(a)

# Mā te Tari Minita e whakakī – Minister's Office to complete

)	Approved	Noted	Referred
	Needs amendment	Declined	Withdrawn
	Overtaken by events	See Minister's notes	

Comments

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# Agreement to Join COP26 Women's Leadership Initiatives

# Pito matua – Key points

- The Prime Minister has been invited to join the **Women Leading on Climate Coalition** and sign the **Glasgow Women's Leadership Statement**.
- The Women Leading on Climate Coalition will be launched at COP26 in Glasgow on Friday 5 November (separate advice has been provided to the Prime Minister about her participation). The coalition seeks to:
  - recognise the leadership of women and girls in advancing progress on climate action in the corridors of COP 26 but also in communities around the world;
  - broaden the network of women and girls engaged in discussions around the environment and climate change at COP26 but also beyond; and
  - raise awareness of the disproportionate impact of climate change on women and girls globally and discuss innovative solutions and share best practices.
- We assess this initiative has potential to have significant impact to benefit women engaged in addressing climate change.
- The Prime Minister has also been invited to sign the Glasgow Women's Leadership Statement
- The statement calls on leaders to commit to increased and sustained support for women's and girls' climate change initiatives at the national and global levels in order to achieve sustainable progress towards meeting the challenges of the climate crisis.
- The statement was launched at COP26 on 2 November by Rt. Hon Nicola Sturgeon MSP, First Minister of Scotland. The statement remains open for signature by women leaders from across government, intergovernmental and non-governmental organisations, business, and civil society. It will remain open for further signatories through to the 66th Session of the Commission on the Status of Women in March 2022.
- s6(a)

To not sign could attract negative attention from New Zealand stakeholders present in Glasgow, particularly if the Prime Minister agrees to join the Women Leading on Climate Coalition.

- Both initiatives align with New Zealand's mandate, agreed by Cabinet on 18 October, that New Zealand will support calls for Parties, when taking action to address climate change, to respect, promote and consider their obligations to, amongst other things, ...gender equality and the empowerment of women.
  - Ministry for the Environment has been consulted in preparation of this submission and has confirmed these initiatives are consistent with New Zealand's domestic climate change priorities.

Deborah Geels For Secretary of Foreign Affairs and Trade

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# Agreement to Join COP26 Women's Leadership Initiatives

# Tūtohu – Recommendations

It is <u>recommended</u> that you:

1	<b>Note</b> the Prime Minister has been invited to join the Women Leading on Climate Coalition and sign the Glasgow Women's Leadership Statement;	Yes / No
2	<b>Note</b> both initiatives support the international climate change mandate agreed by Cabinet in respect of supporting calls for gender equality and empowerment of women;	Yes / No
3	Agree the Prime Minister should join the Women Leading on Climate Coalition;	Yes / No
4	<b>Agree</b> the Prime Minister should sign the Glasgow Women's Leadership Statement	Yes / No
5	Refer a copy of this submission to the Prime Minister for concurrence .	Yes / No
	ames Shaw er of Climate Change	
Date:		

For concurrence:

Rt Hon Jacinda Ardern Prime MInister

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Date: 1020

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# Agreement to Join COP26 Women's Leadership Initiatives

# Pūrongo – Report

1. This submission has been developed in consutation with MfE.

### The Women Leading on Climate Coalition

- 2. The Prime Minister has been invited to join the Women Leading on Climate Coalition, ahead of its launch at COP26 in Glasgow on Friday 5 November (separate advice has been provided to the Prime Minister about her participation in the event).
- 3. The coalition seeks to:
  - recognize the leadership of women and girls in advancing progress on climate action in the corridors of COP 26 but also in communities around the world;
  - broaden the network of women and girls engaged in discussions around the environment and climate change at COP26 but also beyond; and
  - raise awareness of the disproportionate impact of climate change on women and girls globally and discuss innovative solutions and share best practices.
- 4. We assess this initiative has potential to have significant impact to benefit women engaged in addressing climate change. It builds on the success of the Women Kicking it on Climate conference held in Canada in 2018, which has been instrumental in raising the profile of gender issues within the UNFCCC. The coalition is supported by a number of high profile women leaders on climate change including Catherine McKenna, former Canadian Minister of the Environment and Climate Change, and Rt. Hon Nicola Sturgeon MSP, First Minister of Scotland.
- 5. Joining the coalition does not require signing a formal text, or making particular commitments. We are asked simply to communicate the Prime Minister's intention to join. Making such a communication prior to the launch event would ensure New Zealand's support is registered from the outset.
- 6. Membership of the coalition will require the Prime Minister to consider supporting its future promotional activities from time to time.
- 7. On 18 October Cabinet approved a mandate for New Zealand's international climate change engagement. This included a decision that New Zealand will support calls for Parties, when taking action to address climate change, to respect, promote and consider their obligations to, amongst other things, ...gender equality and the empowerment of women. Joining the Coalition fulfils this mandate. None of the other COP26 initiatives supported by New Zealand so far have a specific gender focus.
- 8. Joining this Coalition would also serve to advance the agreed COP26 priorities and objectives in that it demonstrates demonstrate New Zealand's continued commitment to full implementation of the Paris Agreement. The Agreement acknowledges that in undertaking climate action Parties should respect, promote and consider gender equality and the empowerment of women.

#### Glasgow Women's Leadership Statement

9. The Prime Minister has also been invited to sign the Glasgow Women's Leadership Statement.

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# Agreement to Join COP26 Women's Leadership Initiatives

- 10. The statement calls on leaders to commit to increased and sustained support for women's and girls' climate change initiatives at the national and global levels in order to achieve sustainable progress towards meeting the challenges of the climate crisis.
- 11. The statement was launched at COP26 on 2 November by Rt. Hon Nicola Sturgeon MSP, First Minister of Scotland. It remains open for signature by women leaders from across government, intergovernmental and non-governmental organisations, business and civil society and will remain open for further signatories through to the 66th Session of the Commission on the Status of Women in March 2022.
- 12. s6(a)

The statement aligns with the Cabinet mandate and COP priorities and objectives described above. To not sign could also attract negative attention from New Zealand stakeholders present in Glasgow, particularly if the Jec. Jec. Minister of the Mini Prime Minister agrees to join the Women Leading on Climate Declaration.

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# Agreement to Join COP26 Women's Leadership Initiatives

# Annex 1 – Women Leading on Climate Coalition (explainer)

#### Women Leading the Climate Revolution

The United Nations Climate Change Conference in Glasgow has arrived at a pivotal moment. We remain on a perilous course that without significant action will consign future generations to a catastrophic increase in planetary temperature.

The increasing impact of climate change will be inescapable and it will not be equal.

UN figures indicate that 80% of people displaced by climate change are women. This is compounded by higher income inequality and financial insecurity for women globally. They will bear the brunt of future droughts, extreme weather, and famine. We also know that climate instability leads to greater social unrest and more gender-based violence.

But if women and girls are at greatest risk from a changing climate, they are also at the forefront of a growing climate revolution. Within industry, elected to government, and at the heart of their communities, women are organizing locally and transnationally to protect the planet and the future.

This is why we should do more to celebrate climate heroes like Christiana Figueres, and Laurence Tubiana who played critical roles in securing the Paris Agreement, and Patricia Espinoza who is working tirelessly to ensure a successful outcome at COP 26. Leaders like Jacinda Ardern, Yasmin Fouad, Sharon Ikeazor and Hilda Heine who are sustaining global momentum and raising ambition. We need to honour moral voices like Mary Robinson, the past president of Ireland and passionate advocate for the participation of women in climate change decision-making processes and the Inuit leader and advocate for the right to be cold, Siila Watt-Cloutier. And we need to support brave young activists like Greta Thunberg who popularized climate strikes in the world's schools and streets, Autumn Peltier, an Anishinaabe Indigenous advocate for clean water and the environment, and Vanessa Nakate who is elevating the impacts of climate change for people in East Africa.

Alongside these women are millions more who are pushing in inventive and practical ways to mobilize communities, change business and enact new laws. Grassroots movements and women's and feminist collectives within the climate and environmental space have been drivers of systems-change for more equitable and inclusive societies, putting justice at the centre of climate action and challenging business as usual approach.

This is why we should be inspired by women farmers who, when given access to resources and education, are among the most powerful forces preventing deforestation, raising crop yields and reinvesting in their families.

We need to learn from Indigenous women who employ traditional knowledge to provide solutions and adaptations to climate challenges.

And we need to throw our weight behind women business leaders and executives who are leading the charge for sustainable business practices and helping to move capital towards carbon neutral products and investments.

Millions more women want to act but need support. Challenging the status quo is never easy. Women know this.

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### Agreement to Join COP26 Women's Leadership Initiatives

Even inside the climate negotiation process, major barriers to women remain. The Gender Action Plan calls for women's full, equal, and meaningful participation in the UN climate process and to ensure a prominent role for women in decision-making and in climate policies. However, despite progress including many country climate plans now cross-referencing gender and more women included in country delegations, less than 30% of the lead negotiators are women. This needs to change.

Mobilizing women in the fight against climate is critical if we are going to win. To address the impacts of climate change on everyone, we need to support and empower even more women to lead on climate solutions in their communities.

At the 2018 Women Kicking it on Climate conference in Canada, we saw how a strong community of talented women working together can promote change. But now we need a platform that can empower women across the world at the scale of this crisis.

That is why we are launching Women Leading on Climate Action at COP26.

The goal is to quickly assemble a global network of millions of women and girls with the skills, resources and opportunities to lead the climate revolution and achieve the change the world needs.

We are sounding the call within our schools, homes, workplaces, and communities and inviting women to connect with one another in order to elevate and transform the work of women in creating climate solutions today.

Working through new and existing networks and organizations, and in partnership with the UN and Student Energy, Women Leading on Climate Action is focused on mobilizing funding, mentorship and skills training necessary to scale the women-led climate solutions the world needs.

Social, political and ecological progress has always been made when women find one another and organize for change. The new climate revolution will be led by women who are emboldened and empowered to do what is right and what the world — and their children — so urgently need.

Catherine McKenna was Canada's Minister of the Environment and Climate Change and the founder of Women Kicking It on Climate. Nicola Sturgeon is the First Minister of Scotland. Meredith Adler and Oluwadabira Abiola-Awe are leaders with Student Energy.

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Agreement to Join COP26 Women's Leadership Initiatives

# Annex 2 – Glasgow Women's Leadership on Gender Equality & Climate Change

1. Climate change is an urgent human rights issue posing a serious risk to the fundamental rights to life, health, food, water and sanitation, decent work and an adequate standard of living of individuals and communities across the world. Climate change exacerbates existing inequalities, including gender inequality.

2. We believe that the fight against climate change must be closely connected to the fight against gender inequality, and agree that ensuring women's and girls' leadership is vital if global efforts to tackle climate change are to succeed. Women and girls are commonly disproportionately affected by climate change and face greater risks and burdens from its impacts, particularly in situations of poverty. Despite increased vulnerability to climate impacts, we recognise that women and girls have been creating and leading innovative climate solutions at all levels. One of the great injustices of the climate crisis is that the people and countries who are worst affected are those who have contributed least to its causes.

3. We therefore call for all climate actions to recognise the differentiated impact of climate change by factors such as age, gender, disability and location, and ensure women's and girls' voice and agency and their full and effective participation and leadership in policy and decision-making at community, national and international levels, and increase ambition in all sectors.

4. We are grateful to those who have led efforts to date at government, intergovernmental, private sector and civil society levels to advance the interests of women and girls in climate action. We particularly acknowledge women leaders, especially young women and girls at all levels who have championed this agenda, and commit to pushing forward their work including through increased financing, broadening partnerships, and advocacy. We welcome the dedicated agenda item under the UNFCCC addressing issues of gender and climate change and the 5-year enhanced Lima work programme on gender and its gender action plan agreed at COP 25. We hope to see strong efforts by all stakeholders to implement the activities included in the GAP.

5. We acknowledge parallel efforts to promote gender equality in climate change policies, programmes and initiatives, including the UN Secretary General's initiative on Gender and Climate Change, launched at the Global Climate Action Summit 2019, and the Feminist Action for Climate Justice action coalition under the Generation Equality Forum. We encourage all countries yet to pledge action under these important initiatives to do so before the sixty-sixth session of the Commission on the Status of Women (CSW66) in March 2022. At CSW 66, we will work towards achieving gender equality and the empowerment of all women and girls in the context of climate change, environmental and disaster risk reduction policies and programmes.

6. We agree on the importance of achieving the 2030 Agenda for Sustainable Development, notably Sustainable Development Goal 5 on achieving gender equality and empowering all women and girls. We agree that concrete actions are needed to improve women's and girls' participation and leadership in all climate actions.

7. We join together as women leaders to call on all leaders -- women and men – both in government and civil society - to commit to increased and sustained support for women's and girls' climate change initiatives at the national and global levels in order to achieve sustainable progress towards meeting the challenges of the climate crisis.