



COP27

NON-OFFICIALS' BRIEF

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Overview

Background

1. COP26 saw a renewed sense of optimism with the adoption of the Glasgow Climate Pact and completion of the Paris Agreement 'rulebook'. The Pact attempts to turn the 2020s into a decade of climate action and support – responding to evidence that previous efforts were not going far enough, fast enough. The rulebook saw the finalisation of out-standing rules regarding the implementation of the Paris Agreement – including on transparency (the means to hold Parties to account), and market and non-market cooperation.
2. COP26 saw substantial progress towards closing the global ambition gap, on both climate finance and mitigation. It did not, however, deliver either the US\$100 billion per annum climate finance goal, or enough emissions reductions (or pledges) to limit the temperature increase to 1.5 degrees.
3. There is work to do. COP26 faced substantial challenges to build momentum, host, and deliver a successful outcome in the midst of the global COVID-19 pandemic and travel restrictions. COP27, however, will face a new context and new set of challenges.

An urgent climate crisis amongst multiple concurrent crises

4. The Sixth Assessment report of the Intergovernmental Panel on Climate Change, released over 2021/22 includes findings that:

- **Emissions continue to rise**, across all sectors, globally.¹
- Emissions from implementing the Nationally Determined Contributions announced prior to COP26 would make it **likely that warming will exceed 1.5 degrees**.²
- Modelled pathways that limit warming to 1.5 degrees, with limited or no overshoot, **require peaking global GHG emissions before 2025, and global net zero CO₂ emissions in the early 2050s**.³
- All global modelled pathways that limit warming to 1.5 degrees, with no or limited overshoot, and those that limit warming to 2°C (>67 per cent) involve **rapid, deep and in most cases immediate GHG emission reductions in all sectors**.⁴
- Vulnerability to the impacts of climate change vary substantially. However, a high proportion of species are vulnerable to climate change; and **over 3 billion people live in contexts highly vulnerable to climate change**.⁵
- If global warming transiently **exceeds 1.5 degrees** in the coming decades or later (overshoot), then **many human and natural systems will face additional severe risks**, compared to remaining below 1.5 degrees. Depending on the magnitude and duration of overshoot, some impacts will cause release of additional greenhouse gases and **some will be irreversible**, even if global warming is reduced.⁶

¹ WGIII B.1 & B.2.

² WGIII B.6

³ WGIII C.1 & C.2.

⁴ WGIII C.3

⁵ WGII B.2

⁶ WGII B.6

- With **increasing global warming, losses and damages will increase** and additional human and natural systems will **reach adaptation limits**.⁷

5. An effective global response is New Zealand's, and our Pacific neighbours', first best option. Limiting global warming to 1.5 degrees requires urgent, collective, global, transformational action, **now**.

6. At the time when greater ambition and action on the climate crisis is most needed, COP27 sits alongside multiple concurrent crises and stressors, including: the Russian invasion of Ukraine; energy/food/inflation crises; the COVID pandemic and recovery; and efforts to split global unity. Each of these may reduce pressure for action by, for example, diverting attention from climate action, reducing the ability for ambitious multilateral efforts, or creating a sense that climate action is less urgent. Ahead of COP27, progressive countries like New Zealand are **concerned about the real potential for backtracking on commitments**, which must be guarded against. It is critical for New Zealand to advocate for others to also stay on course and work to deliver 1.5.

A shift from rules to implementation

7. The substantive completion of the outstanding chapters of the Paris Agreement 'rulebook' at COP26 marks a potentially significant inflection point for the UN climate process. The process of creating the Paris Agreement architecture – negotiating the Agreement itself, and subsequently the rules and implementation guidelines to give it effect – began at COP17 in 2011. Negotiations will be an ever present feature of the process; however, **the onus must now move from the setting of rules to implementation**. COP27 will hopefully mark the beginning of this.

8. A process focused on effective implementation will require recalibrating thinking at multiple levels (system, delegations, individuals). This may mean norms, modalities, and tactics (particularly those that have served some Parties or Groups well in the rules-focused phase e.g. the linking of rooms, recourse to omnibus decisions, insistence upon identical processes) may need to be re-thought.

9. Key questions for New Zealand in navigating this new context will remain – what are the behaviours it models; how does it push for ambition, action, and accountability while being a constructive multilateral actor; and how does it combine multi- pluri- and bilateral efforts to push for and deliver action?

10. For example – How and under what circumstances might New Zealand use the Enhanced Transparency Framework or other means, to shine a spotlight on inaction or low ambition? How will New Zealand be both constructive and facilitate continuous improvement, and push for accountability regarding pursuing efforts aligned with 1.5 degrees?

The issues that will dominate COP27

11. **Loss and damage** - Loss and damage is expected to be a headline issue at COP27. Recognition for loss and damage as the "fourth pillar" of the UNFCCC has consolidated in the run up to Sharm el-Sheikh. For New Zealand the urgency of addressing loss and damage is clear. In our region, vulnerability to the impacts of climate change is acute, and loss and damage is a present day reality and existential threat. Pacific Forum Leaders, including our Prime Minister, have called for meaningful progress on loss and damage at COP27.

12. **Mitigation** – Parties have not yet succeeded in limiting global warming to 1.5 degrees – doing so requires action now. At COP26 the Glasgow Climate Pact established elements that, if

⁷ WGII C.3

set up right, can serve to increase ambition and action. Across items including the **mitigation work programme**, Ministerial roundtable on pre-2030 ambition, global stocktake, and cover decision; New Zealand is seeking outcomes that will meaningfully contribute to limiting the temperature increase to 1.5 degrees.

13. **Climate finance** – is a key pillar of the Paris Agreement that enables implementation but also serves as a symbol of trust and collaboration between developed and developing countries. Climate finance will continue to be a major topic at COP 27 with pressure rising due to the failure of developed countries to meet the US\$100 billion goal by 2020 at COP 26. Key negotiations will include:

- Deliberations on the new collective quantified goal – with consideration including quantum, balance, donor base, and private finance mobilisation.
- Funding arrangements for loss and damage. For New Zealand there is no question that finance should be available to avert, minimise and address all forms of loss and damage.
- Article 2.1(c) – an agenda item on Article 2.1(c) of the Paris Agreement has been proposed. 2.1(c) commits all Parties to “Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.” For New Zealand, a better global understanding of how to accomplish this, is a key enabler of the transformative change we need to address the climate crisis. Just one example of this existing misalignment is that globally fossil fuel subsidies total around US\$500 billion a year, five times the current US\$100bn goal. Not only could this be redirected in support of climate action, this finance currently pulls against decarbonisation.

14. **Adaptation** – alongside finance for adaptation (addressed above), further work will be done at this COP relating to the global goal on adaptation. Article 7 of the Paris Agreement establishes the *global goal on adaptation of enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change, with a view to contributing to sustainable development and ensuring an adequate response in the context of the temperature goal*.

15. The two-year Glasgow-Sharm el-Sheikh work programme on the global goal will help Parties to establish a collective understanding on progress on adaptation, sharing of lessons learned and good practice, and identifying gaps. This work programme, along with the Global Stocktake will give an opportunity to focus attention and accelerate action on adaptation.

The Egyptian Presidency

16. The Egyptian government has advised its priorities for COP27 are climate finance including loss and damage, adaptation, mitigation, and implementation, billing COP27 an ‘African COP.’ The Presidency has advised of a number of initiatives outside of the formal process that seek to advance climate and sustainable development outcomes for Africa.

New Zealand’s priorities for COP27

17. New Zealand’s priorities for international engagement on climate change are set out in the International Engagement Plan, which can be found on our website. There are ten priorities clustered into three groups – relating to ambition, Pacific resilience, and New Zealand’s transition and NDC. All of these are priorities for New Zealand – but, in the context of COP – the following are of particular interest:

- **Contribute to, and foster effective global ambition** – including contributing to negotiations relating to ambition (such as the global goal on adaptation, the mitigation

work programme, and transparency); and initiatives aimed at strengthening ambition, such as the High Ambition Coalition.

- **Enhance the mobilisation of climate finance** – including contributing to deliberations on the next quantitative climate finance goal; sharing our experiences of Climate Risk Disclosure; and showcasing our climate finance strategy.
- **Support a resilient and empowered Pacific transition** – including supporting Pacific interests in negotiations, co-location with Pacific delegations; supporting the Pacific Pavilion, to profile issues of regional importance; and the hosting the annual New Zealand – Pacific Ministerial policy roundtable.
- **Cooperate to reduce emissions in other countries to contribute to New Zealand's Nationally Determined Contribution** – taking opportunities to progress our international carbon markets strategy through: a series of bilateral meetings with potential partners; taking part in initiatives or events to promote high-integrity in carbon markets; and being active in Article 6 technical negotiations.

18. Other international engagement priorities relate to the SDGs, agriculture, climate change and trade, and New Zealand's transition – and as resources permit, biodiversity and nature-based solutions, and climate change and security.

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Adaptation

Key points

- New Zealand is committed to enhancing adaptive capacity, strengthening resilience, and reducing vulnerability to climate change through action at home and globally, particularly in the Pacific.
- Guided by the IPCC's AR6 reports, our collective adaptation work should be transformational, advancing from current incremental efforts to drive well-planned and systemic approaches that address the multiple climate change risks. Our work should also consider sustainable development and mitigation synergies and co-benefits. We should seek to be inclusive, and inspire collaboration across constituencies on achieving the global goal on adaptation (GGA), including through the Glasgow-Sharm el-Sheikh two-year work programme on the global goal on adaptation.
- New Zealand considers this work programme important in helping Parties to establish a collective understanding of progress on adaptation through shared lessons learned and good practice, including by identifying the gaps in capacity, finance and data on which progress has been limited to date.
- Together, the Glasgow Sharm el-Sheikh Work Programme, along with the first Global Stocktake, create a crucial opportunity to focus attention and accelerate action on adaptation.

Background

1. Adaptation issues appear in multiple parts of the agendas across the subsidiary bodies, the COP and the CMA. Further information on these agenda items can be found in the relevant sections of this delegation brief.

National adaptation plan

2. New Zealand has made significant progress on its own preparation for addressing the impacts of climate change with the publication of its first national adaptation plan in August. The national adaptation plan supports all New Zealanders to adapt, live and thrive in a more damaging climate. It looks at the impacts of climate change with us now and into the future and sets out how Aotearoa New Zealand can adapt.

3. The long-term adaptation goals in New Zealand's adaptation plan embody the adaptation goal in the Paris Agreement: reducing vulnerability, enhancing our ability to adapt and strengthening resilience. The national adaptation plan is the first in a series. Every six years, the Climate Change Commission will prepare a national climate change risk assessment. This will identify the climate risks that need to be addressed most urgently. New national adaptation plans that respond to those risks will be developed in consultation with all New Zealanders.

4. The first plan focuses on getting the foundations right. It sets out what the Government will do to enable better risk-informed decisions, drive climate-resilient development in the right locations, help communities assess adaptation options (including managed retreat) and embed climate resilience into all of the Government's work. It also acknowledges an indigenous worldview that sits alongside the plan, which is represented by the Rauora framework. Actions in the plan support the further exploration of this framework.

5. The implementation and effectiveness of the national adaptation plan will be reported on by the Climate Change Commission by August 2024.

6. As part of the overhaul New Zealand's resource management system, the Government plans to repeal the Resource Management Act 1991 and introduce three Bills including the Climate Adaptation Act (CAA) - to help New Zealand better deal with climate change, particularly 'managed retreat' (the strategic relocation of communities or assets prone to natural hazards - like increased flooding or coastal inundation).

Adaptation finance

7. Aotearoa New Zealand recognises the need for urgently scaling up adaptation finance. It is a particular priority for Pacific Island Countries to be able to deliver on their National Adaptation Plans and develop the pipeline of projects to build climate resilience.

8. As a member of the Champions Group on Adaptation Finance, we are advocating for a doubling of climate finance as urged at COP 26, achieving balance with mitigation finance, as well as improving the quality of and access to adaptation finance.

9. We deliver this through our own climate finance commitment, is 2022-25 is NZ\$1.3 billion dollars in grant funding with at least 50 percent of this to be focused on the Pacific and 50 percent dedicated to adaptation.

10. We also encourage multilateral development banks to commit to and update projections for ambitious targets for adaptation finance and screen all projects for incorporating adaptation components as appropriate.

Agriculture

Key points

- New Zealand strongly advocates for increased global ambition to reduce emissions from agriculture and support adaptation to sustainable, climate resilient agriculture systems.
- This ambition needs to be articulated as outcomes-focused. This means promoting action towards positive climate and environmental outcomes without prescribing specific approaches that may not be appropriate for all circumstances.
- New Zealand is committed to reducing emissions from agriculture and supporting climate resilient adaptation both domestically and internationally.

Domestic action

- New Zealand has legislated methane reduction targets of 10 per cent by 2030 and 24-47 per cent by 2050 against a 2017 baseline.
- Given 91 per cent of New Zealand's biogenic methane comes from agriculture, the sector will be at the forefront of achieving these targets. New Zealand has legislated to price agricultural emissions, including methane, by 2025 as a tool to achieve this target. This will be done either through a specifically designed pricing mechanism, or introducing surrender obligations for agriculture in the NZ ETS.
- The Government established He Waka Eke Noa, a partnership between Government, Māori, and the sector, to provide recommendations on a pricing mechanism as an alternative to the NZ ETS, and support the sectors readiness. He Waka Eke Noa presented their recommendations earlier this year, and the Government is currently undertaking a public consultation on a proposed farm-level pricing mechanism.
- The key features of the farm level levy are:
 - Farmers and growers will enter data into the bespoke emissions calculator.
 - They will receive a bill for their farm's emissions numbers for methane and long-lived gases.
 - They can use approved technologies and practices to deliver measurable emission reductions and receive a payment to reduce their levy cost.
 - Approved on-farm vegetation can be recognised through a sequestration contract.
 - Revenue from the system will be used to fund admin costs, incentive and sequestration payments, the establishment of a dedicated fund for Māori landowners, and an advisory board to advise Ministers on the revenue recycling strategy
 - GST registered farmers and growers with more than 550 stock units (deer, sheep, cattle) or 50 dairy cattle, or who apply 40t of synthetic nitrogen fertiliser, are required to register and pay for their on-farm emissions.

International

- Internationally, New Zealand seeks to drive global ambition on agricultural climate action through our engagement in the UNFCCC and related initiatives.
- The Global Research Alliance on Agricultural Greenhouse Gases is a key avenue for New Zealand. This includes funding mitigation projects and scholarships into low emission research and development, and hosting the Secretariat.
- New Zealand recently announced a NZ \$10M investment into a partnership through the GRA supporting the Latin America and the Caribbean region. This will build resilience, enhance food security and address the challenges of climate change for small-scale primary producers.

Background

Agriculture and Adaptation Day is a key opportunity for New Zealand to advance our agriculture related objectives by leveraging success at the OECD Agriculture Ministerial

1. The Presidency has planned an Adaptation and Agriculture Day on 12 November. This key day for progressing our agriculture priorities will include:

- a. Food and Agriculture Organisation (FAO) hosted Koronivia Joint Work on Agriculture Ministerial discussion.
- b. Food and Agriculture for Sustainable Transition (FAST) initiative Ministerial level launch event.
- c. Policy Dialogue on Transition to Sustainable Agriculture Ministerial Roundtable event organised by the UK as outgoing COP26 President.
- d. Global Research Alliance Blue Pacific Pavilion Side Event 'Measuring to mitigate, adapt and revive.'

2. On November 3-4 the Minister for Agriculture is Co-Chairing the OECD Agriculture Ministerial. The text negotiated by Officials for adoption by Ministers includes impressive wins for New Zealand in relation to climate change and agriculture which should be leveraged in our COP27 engagement on agriculture. Specifically, this text:

- a. Acknowledges the need for agricultural policies including support to contribute to GHG reductions
- b. Commits Parties to increase mitigation efforts by reducing emissions from agriculture and food systems, including giving 'positive consideration' to sector specific reduction targets
- c. Commits Parties to invest in mitigation research and development
- d. Includes multiple references to adaptation efforts and food security without compromising the need for urgent mitigation action.

Further information on New Zealand's position on outcomes-based text and environmentally harmful agriculture subsidies

3. New Zealand's outcomes focused approach means ensuring the focus is on reducing global emissions and supporting sustainable agriculture, enabling flexibility for countries to deliver this according to their national circumstances and informed by local and indigenous knowledge as appropriate.

4. Agroecology is a specific approach commonly proposed which New Zealand pushes back on in agriculture related negotiations. This primarily comes from the EU subsidised approach in their Farm-to-Fork Strategy.

5. Elimination of trade and production distorting, and environmentally harmful agricultural subsidies (EHAS) is a long-standing priority for New Zealand. In multilateral agreements these are often phrased as public or domestic support. New Zealand seeks to encourage Parties to identify and phase out EHAS. Where text calls for repurposing EHAS towards environmentally positive measures, New Zealand seeks recognition that repurposed subsidies must be designed effectively and not lead to trade- and production-distorting outcomes.

6. New Zealand is supportive of increasing investment in general services such as research and development or climate-focused extension services, to accelerate emissions reductions in agriculture.

Further information on New Zealand's agricultural emissions profile

7. Agriculture makes up almost 50 per cent of New Zealand's emissions. This is significantly more than most industrialised countries due to our largely decarbonised electricity generation, and because agriculture is a key sector of New Zealand's economy.

8. New Zealand's emissions profile means that we must grapple with this challenge of agricultural emissions earlier than most other developed countries. However, as other countries decarbonise their energy and transport sectors, agriculture will increasingly feature in their emissions profiles, forcing them address the challenge. This provides an opportunity to share New Zealand's expertise and shape the emerging best practice for low emissions, climate resilient agriculture.

Further information on the key agriculture related initiatives New Zealand has joined

9. New Zealand hosts the Secretariat to the Global Research Alliance and this is the key avenue through which we engage internationally. Much of our international engagement seeks to encourage membership to the GRA and attract finance to collaborate on greenhouse gas mitigation research development and innovation.

10. In 2021 New Zealand joined the Agricultural Innovation Mission for Climate (AIM for Climate), launched by the US and UAE. This initiative is focused on increasing investment into climate smart agriculture. It also provides a platform for promoting projects in the agricultural climate action arena (termed 'Innovation Sprints'). The GRA is an 'Knowledge Partner' to AIM for Climate and a number of their projects were adopted as innovation sprints in 2021, including three which New Zealand was involved in.

11. In 2021 New Zealand also joined the Global Methane Pledge. New Zealand has developed a Methane Reduction Action Plan which includes a focus on action in our agriculture sector, given this is the principal source of methane for New Zealand.

12. New Zealand is involved in the UK launched Policy Dialogue on Accelerating Transition to Sustainable Agriculture through Redirecting Public Policies and Support and Scaling Innovation. Our keen interest in this relates to the Dialogue's focus on repurposing environmentally harmful agriculture subsidies.

13. As COP27 President, Egypt is launching the Food and Agriculture for Sustainable Transition Initiative (FAST initiative). This initiative looks to set up a work programme to support better access to finance for agricultural and food systems action, provide a central knowledge and capacity building platform, and convene policy dialogues on agricultural climate action support for NDCs, NAPs and LT-LEDS.

Ambition

Key points

Ambition

- An effective climate response and limiting the temperature rise to 1.5 degrees is key to New Zealand and our Pacific neighbours.
- Ambition, and follow-through on this ambition, is critical for delivering **all three aims of the Paris Agreement** (2.1a – mitigation, 2.2b – adaptation, and 2.1c making financial flows consistent with low emissions and climate resilient development).
- These aims are interlinked. Mitigation and adaptation efforts can have co-benefits. Aligning financial flows with the low-emissions and climate resilient future we require, is necessary to getting us there.
- Limiting the temperature increase to 1.5 degrees is vital to New Zealand, to the Pacific, and to the world. Critically, as set out in the IPCC's Sixth Assessment report - **Mitigation is necessary to enable us to successfully adapt, and to limit loss and damage.**
- To deliver on the aims of the Paris Agreement we need ambition, action and implementation now. We need real world outcomes this decade.
- The world New Zealand wants to see – both the science and our values (such as manaakitanga, whanaungatanga, mahi tahi and kotahitanga, and kaitiakitanga) align.

Ambition related negotiations

- Ambition will be delivered through actions both within (e.g. countries delivering on their targets, taking actions to reduce emissions and build resilience) and outside of the process. Negotiation areas that relate directly to ambition include:
 - Mitigation – work programme on urgently scaling up mitigation ambition and implementation, global stocktake
 - Adaptation / climate resilience – global goal on adaptation
 - Financial flows – deliberation on the new quantified collective goal; EU and EIG proposed new agenda item on Article 2.1c
- Regardless of how/where it is pursued, given the scale and urgency of the climate crisis, action that leads to real world results is vital.

NDCs

- It is important that **all countries**, including large emitters and high and middle income countries, take action aligned with 1.5 degrees.
- New Zealand's NDC is deliberately and purposefully aligned with 1.5 degrees. Our ambition is to contribute a volume of emissions reductions that is aligned with 1.5 degrees – not limit ourselves to only what can be done within New Zealand.
- The world will not achieve the scale or urgency of emissions reductions needed globally, if each country only looks at what it can individually do. Many countries may be able to

contribute more emissions reductions if they supplement domestic action with international cooperation.

What is New Zealand doing?

- New Zealand is taking action to reduce global emissions, ensure a fair and equitable transition of our economy, and build climate resilience both at home and abroad. Limiting the temperature increase to 1.5 degrees is critical to New Zealand. We have put this goal at the heart of our domestic climate change policy and legislation
- Highlights of New Zealand's action include:
 - An NDC that has been deliberately and purposefully aligned to contribute to limiting the temperature increase to 1.5 degrees.
 - A climate finance strategy, developed with input from partners, that will guide delivery of the 1.3bn dollar commitment we made last year. This quadrupling of climate finance, includes at least half going to adaptation, and at least half to the Pacific.
 - Putting in place, and now implementing our first emissions reduction plan and domestic emissions budgets – to guide our low emissions transition.
 - Putting in place, and now implementing our national adaptation plan.
 - Continuing to increase the breadth and effectiveness of emissions pricing and other economic instruments, to lower emissions and better align financial flows with low emissions and climate resilient development. This includes: supplementing the broad sectoral coverage of the New Zealand Emissions Trading Scheme by pricing agricultural emissions from 2025; and further embedding financial disclosure of climate risks.
 - New Zealand champions research and development to reduce agricultural emissions. This includes through the Global Research Alliance on Agricultural Greenhouse Gases of which New Zealand is a founding member.
 - New Zealand leadership on increasing alignment of trade and climate policy development through initiatives such as Agreement on Climate Change, Trade and Sustainability (ACCTS) and ongoing advocacy for fossil fuel subsidy reform; as well as world leading climate change elements in free trade agreements
- Details of New Zealand's domestic policy response can be found in the thematic briefing '**Domestic policy update**'

Climate Change and Oceans

Key points

- New Zealand welcomes the increasing focus on the climate-ocean nexus in the UNFCCC, which helps drive ambitious mitigation and adaptation.
- New Zealand places great importance on the conservation and sustainable use of the ocean. Across the Pacific region, the ocean defines ways of life. Economies rely on the ocean environment, through fisheries and aquaculture, tourism and shipping; livelihoods are closely linked to the sustainable use of marine resources; and culture and recreation take shape around the ocean and its shores.
- The climate crisis is inextricably linked to the health of the ocean. The ocean is the world's largest carbon sink, and there is clear scientific evidence that it is warming, rising and becoming more acidic at an accelerated rate. Damage to the health of the ocean limits humanity's chance to prevent and adapt to dangerous climate change.
- In the Pacific, ocean warming and acidification will have dramatic adverse effects on community well-being. The decline of coral reefs will severely undermine food security and cultural values, climate-induced migration of tuna out of Pacific exclusive economic zones will undercut economic resilience, and sea-level rise poses an existential threat to atoll nations.
- The *Aotearoa New Zealand International Climate Finance Strategy – Tuia te Waka a Kiwa* includes a stated preference for supporting biodiversity, oceans and nature. It explicitly recognises the need for greater investment into the ocean-climate nexus.
- Continued advocacy for the Pacific Islands Forum Leaders' *Declaration on Preserving Marine Zones in the Face of Climate Change-Related Sea-Level Rise* is a priority for New Zealand and the region.

Oceans within the UNFCCC

- COP26 saw two key outcomes for the ocean. The Glasgow Climate Pact invited relevant work programmes and constituted bodies under the UNFCCC to consider how to integrate and strengthen ocean-based actions in their existing mandates and work plans, and instituted an annual ocean-climate dialogue⁸.
- The first ocean-climate dialogue was held on 15 June 2022 and produced an informal summary for consideration at COP27. The dialogue was necessarily high-level and its findings likely uncontentious. Future annual dialogues will dive into particular issues to strengthen and support ocean climate action under the UNFCCC.

Decarbonising the international shipping sector

- The International Maritime Organization (IMO) is currently revising its Initial Strategy on the reduction of greenhouses gas (GHG) emissions from ships. Increasing the ambition of GHG reduction targets and development of market-based measures to incentivise decarbonisation of the sector will be the focus of the upcoming December meetings.

⁸ [FCCC/CP/2021/12/Add.1](#): para 60-61

Background

1. The 2019 IPCC Special Report on the Ocean and Cryosphere in a Changing Climate highlights the urgency of prioritising timely, ambitious and coordinated action to address unprecedented and enduring changes in the ocean and cryosphere. These include melting ice and rising seas; more frequent extreme sea level events; changing ocean ecosystems; declining Arctic sea ice and thawing permafrost.
2. The Working Group II contribution to the IPCC Sixth Assessment Report, finalised in February 2022, added to the growing body of scientific evidence that the ocean is warming, rising and becoming more acidic. The report states it is virtually certain that global mean sea level will continue rising over the 21st century. It will increase for centuries to millennia due to continuing deep ocean heat uptake and mass loss from ice sheets.
3. Climate impacts on the ocean will increase the risk of forced displacement (New Zealand's preferred term is "climate induced migration") for Pacific Island countries and coastal New Zealand communities. Warming above 1.5° will mean atoll nations may no longer be able to adapt. Nonetheless, the prevailing discourse is focused on global mitigation and adaptation efforts. Pacific Island countries' are determined to stay in their homelands, rather than consider how and where they might move.

Oceans within the UNFCCC

4. Pacific Island countries and others are concerned that the significance of climate change impacts on oceans is overlooked and want more formalised UNFCCC work on the climate change and oceans nexus. Some have called for a dedicated agenda item or work programme.
5. There are dimensions of the climate change and oceans nexus that are clearly not addressed by other fora. There are also concerns that some countries may seek credit for non-anthropogenic (i.e. naturally occurring) sequestration. Only the UNFCCC can engage countries in inter-governmental decision making around these issues. It is also important that genuine efforts to address oceans in the UNFCCC do not duplicate and undermine other international frameworks such as United Nations Convention on the Law of the Sea (UNCLOS), which is the international legal framework for all activities in the ocean.
6. Following last year's COP26 decision, the first formal Ocean and Climate Change Dialogue was held in June. The key findings of the dialogue:
 - reinforced the value of the ocean in offering sustainable climate solutions including mitigation and adaptation options that can be reflected in national climate policies and strategies;
 - recognised the role of marine technology and marine and coastal nature-based solutions and value of ocean science and other knowledge systems;
 - called for funding for ocean-climate action and strengthened finance and other support including capacity building; and
 - advocated a framework for collaborative efforts across UN processes to increase institutional support for ocean-climate action.
7. These findings, which will be reported to COP27, are likely to prove uncontroversial, although any framework would need to avoid imposing onerous requirements.

IMO efforts to decarbonise the international shipping sector

8. Shipping is fundamental to New Zealand's economy and that of our Pacific partners. At the same time, shipping is a significant and growing contributor to GHG emissions. The IMO's 2018 Initial Strategy on the reduction of GHG Emissions from Ships commits members to reduce

GHG emissions by at least 40 per cent by 2030 and to pursue efforts towards 70 per cent reduction by 2050 compared to 2008 levels. However progress in developing measures to support this transition has been slow. Work is currently underway for a revised strategy to be adopted in 2023.

Key Pacific concerns

9. Ocean warming and acidification will dramatically affect coral reefs, and there will be flow on effects on the whole ridge-to-reef ecosystem (from the mountains to the coral reef). Sea level rise will add to these. Coral reefs are critical habitats for coastal fisheries, provide protection from storm surges and coastal inundation, and are cultural keystones. Pacific Islanders draw most of their protein from reef based fisheries, and the economic value that is drawn from fisheries and tourism is also significant. Even limiting warming to 1.5°C will likely lead to substantial declines in coral cover.

10. Warmer waters will also lead to the redistribution of the Pacific region's lucrative tuna fisheries, posing economic and management challenges. This is particularly important for skipjack tuna, which are migrating eastwards. With a high-emission scenario this is predicted to lead to a US\$90 million drop in government revenue per annum for Pacific Island countries by 2050. This will also push more tuna into international waters, increasing the risk of illegal, unreported and unregulated fishing.

11. The Pacific Islands Forum Leaders' *Declaration on Preserving Maritime Zones in the Face of Climate Change-Related Sea-Level Rise* sets out our region's collective position on how the UN Convention on the Law of the Sea's rules on maritime zones should apply in the situation of climate change-related sea-level rise. It makes clear our intention to maintain our zones, without reduction. The Declaration upholds the integrity of UNCLOS and builds upon our region's long history of leadership on oceans issues. The alternate view, that baselines for measuring maritime zones move with the coastline as it recedes, would result in diminishing maritime zones. This would be highly detrimental for many Pacific Island countries that are dependent on these zones for their economic resilience.

Global Biodiversity Framework and new global protected area target

12. Any new global target on protected areas will need to consider not only how much we protect, but what we protect and how that protection is designed. Protected areas need to be purposefully designed to deliver on essential qualitative elements, like ecological representativeness, and protection of areas of particular importance for nature to thrive. Equally important is that management and governance of these areas is effective and comprehensive to adequately protect their natural values. Ensuring respect for the rights of indigenous peoples in the way areas are protected is an essential element we have been advocating for.

Domestic policy update

Emissions reduction plan and first three emissions budgets

1. On 31 May 2021, the Climate Change Commission provided the Government with its final advice on the first three emissions budgets (2022-2025, 2026-2030, 2031-2035) and on the policy direction for Aotearoa New Zealand's first emissions reduction plan 'Te hau mārohi ki anamata' (the plan). The second emissions reduction plan needs to be published by 31 December 2024.
2. In May 2022, the Government has now responded to this advice by setting Aotearoa New Zealand's first three emissions budgets:
 - The first emissions budget limits emissions to 290 Mt CO₂-e from 2022 – 2025. This is estimated to require a further 11.5 Mt CO₂-e reduction compared to existing projections.⁹
 - The second emissions budget limits emissions to 305 Mt CO₂-e
 - The third emissions budget limits emissions to 240 Mt CO₂-e.
3. In May 2022, the Government also published the first emissions reduction plan (which also serves as Aotearoa New Zealand's long-term low emissions development strategy (LT-LEDS) for the purposes of the Paris Agreement¹⁰). This sets out the policies and strategies for achieving the first emissions budget and puts Aotearoa New Zealand on track to meet the long-term targets.¹¹
4. The emissions reduction plan was informed by public consultation and includes over 300 actions to:
 - achieve an equitable, fair and equitable transition for all New Zealanders
 - empower Māori and uphold Te Tiriti o Waitangi/the Treaty of Waitangi¹²
 - align systems and cross-sector tools to enable and incentivise a low-emissions transition, including emissions pricing, funding and finance, planning and infrastructure, research science innovation and technology and circular economy and bioeconomy.
 - transition key sectors across our economy, including transport, energy and industry, building and construction, agriculture, forestry, waste and fluorinated gases.
5. To ensure that New Zealand remains on track to meet its climate mitigation goals:
 - Government agencies are establishing a monitoring and reporting system to track and manage implementation of the plan, this includes sector sub-targets to monitor emissions reductions in key sectors of the economy.
 - The Climate Change Commission will also have a role in monitoring and reporting on progress on emissions budgets and 2050 target, as well as the success of the plan

⁹ Baseline projected emissions are already tracking down under current policy settings. The baseline does not include the new actions included in the emissions reduction plan.

¹⁰ The emissions reduction plan was published in two stages. The first stage was communicated to the United Nations Framework Convention on Climate Change on 4 November 2021 (during COP26).

¹¹ The 2050 target requires long-lived greenhouse gas emissions to reach net zero by 2050. It also requires emissions of biogenic methane to reduce to 24-47 per cent below 2017 levels by 2050 (including a 10 per cent reduction by 2030). See section 5Q, Climate Change Response Act 2002.

¹² Te Tiriti o Waitangi (the Treaty of Waitangi) is New Zealand's founding document and the source of principles that govern Crown-Māori relationships. These principles include partnership, participation and the active protection of Māori knowledge, interests, values and other taonga.

6. Statutory timelines set by the Climate Change Response Act 2002 originally required emissions budgets and the plan to be published by 31 December 2021. Due to the COVID-19 Delta outbreak in August 2021 and the impact of subsequent lockdowns on effective public consultation and engagement, Cabinet amended the statutory deadline to 31 May 2022. This change allowed more time to develop the plan to reflect public input through formal consultation. It also aligned the plan with Budget 2022, allowing decisions and policies to be directly supported with Government investment.

7. The Government has announced (11 October 2022) its proposal for pricing agricultural greenhouse gas emissions. Feedback is currently being sought on how a proposed farm-level emissions price levy will be set, governance arrangements of the system, how farmers and growers will report and pay for their emissions and recognising sequestration.

8. The government is consulting on a farm level levy, and a potential processor level levy as a transitional mechanism. Consultation closes on 18 November 2022. The key features of the farm level levy are:

- Farmers and growers will enter data into the bespoke emissions calculator.
- They will receive a bill for their farm's emissions numbers for methane and long-lived gases.
- They can use approved technologies and practices to deliver measurable emission reductions and receive a payment to reduce their levy cost.
- Approved on-farm vegetation can be recognised through a sequestration contract.
- Revenue from the system will be used to fund admin costs, incentive and sequestration payments, the establishment of a dedicated fund for Maori landowners, and an advisory board to advise Ministers on the revenue recycling strategy
- GST registered farmers and growers with more than 550 stock units (deer, sheep, cattle) or 50 dairy cattle, or who apply 40t of synthetic nitrogen fertiliser, are required to register and pay for their on-farm emissions.

National adaptation plan

9. New Zealand's first national adaptation plan was published in August 2022. The national adaptation plan supports all New Zealanders to adapt, live and thrive in a more damaging climate. It looks at the impacts of climate change with us now and into the future and sets out how Aotearoa New Zealand can adapt.

10. The long-term adaptation goals in New Zealand's adaptation plan embody the adaptation goal in the Paris Agreement: reducing vulnerability, enhancing our ability to adapt and strengthening resilience. The national adaptation plan is the first in a series. Every six years, the Climate Change Commission will prepare a national climate change risk assessment. This will identify the climate risks that need to be addressed most urgently. New national adaptation plans that respond to those risks will be developed in consultation with all New Zealanders.

11. The first plan focuses on getting the foundations right. It sets out what the Government will do to enable better risk-informed decisions, drive climate-resilient development in the right locations, help communities assess adaptation options (including managed retreat) and embed climate resilience into all of the Government's work. It also acknowledges an indigenous worldview that sits alongside the plan, which is represented by the Rauora framework. Actions in the plan support the further exploration of this framework.

12. The implementation and effectiveness of the national adaptation plan will be reported on by the Climate Change Commission by August 2024.

13. As part of the overhaul New Zealand's resource management system, the Government plans to repeal the Resource Management Act 1991 and introduce three Bills including the Climate Adaptation Act (CAA) - to help New Zealand better deal with climate change, particularly 'managed retreat' (the strategic relocation of communities or assets prone to natural hazards - like increased flooding or coastal inundation).

Proactively released by the
Ministry of Foreign Affairs and Trade

Finance

Key points

US\$100 billion goal

- New Zealand remains committed, along with all other donor countries, to its financial commitments under the Paris Agreement and setting ambitious new finance goals that reflect the uplift we must see to meet our shared mitigation and adaptation goals.
- We understand the urgency of developing countries' climate finance needs and the importance that developing countries place on the US\$100bn goal. That is why New Zealand has strongly stepped up in its climate finance ambition.
- This year's Delivery Plan progress report highlights that finance is increasing, including adaptation finance, and the donors remain committed to the task and are taking actions to improve and enhance climate finance across the board.

New collective quantified goal (NCQG)

- The NCQG is our opportunity to raise collective ambition towards finance for delivering on NDCs and National Adaptation Plans. It should link directly to Article 2.1c and help mobilise and redirect public and private finance from all sources and Parties towards low emissions and sustainable development.
- The goal will likely need to have multiple components, including a scaled up quantitative target but also qualitative components that encourage effective policies and enabling environments that will help redirect private financial flows.

Adaptation finance

- Adaptation finance through public sources is crucial to developing countries, especially the Pacific.
- Aotearoa New Zealand is a member of the Champions Group on Adaptation Finance, who are advocating for a doubling of climate finance as urged at COP 26, achieving balance with mitigation finance, as well as improving the quality of adaptation finance.

Loss and damage finance

- For Aotearoa New Zealand the urgency of the issue is clear. In our region, the Pacific, vulnerability to the impacts of climate change is acute, and loss and damage is already a present day reality and existential threat.
- There is no question that finance should be available to avert, minimise and address all forms of loss and damage.
- There is likely to be an agenda item on loss and damage finance for the first time at this COP. Building on efforts at COP 26, there will be a significant push to establish a dedicated funding facility at COP 27.
- Loss and damage arises from the impacts of climate change in multiple ways and there are multiple institutions and processes with equities in solving this. We need a multifaceted and multi-track solution to scale up responses.

Multilateral climate funds

- The multilateral climate funds are often cumbersome and many small countries, including in the Pacific, have expressed their frustration at the difficulty of accessing finance from them – especially the Green Climate Fund. Efforts have been made to improve the access procedures but further improvements are required.

Donor Base

- Developed countries must continue to lead the way in providing and mobilising finance towards developing countries, particularly the most vulnerable.
- However, much has changed since 1990. Annex II of the Convention no longer accurately reflects who the developed countries in the world are. All countries in a position to do so must play a role.

Effectiveness

- While the quantum is important, we must not lose sight of the need for effective finance: effectiveness is just as important as the amount of money spent.
- There will always be finite resources and public finances alone cannot meet the needs of developing countries. We need to ensure the resources that we do have are used effectively.
- In this regard, we must ensure finance is made accessible and goes towards country priorities (like those outlined in NDCs and National Adaptation Plans).
- It also means that we need to do a better job of mobilising private funds to support our goals. The more we can unlock private finance the more public finance can be strategically used to fill gaps in funding where other sources cannot get to (e.g. adaptation).

Changing the finance landscape (Article 2.1.c)

- Article 2.1c of the Paris Agreement commits all Parties to “Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.”
- The finance conversation must move beyond just public finance and private finance mobilised. The landscape has changed since 2009 and the financial sector is shifting to align portfolios with the Paris Agreement.
- Globally fossil fuel subsidies total around US\$500 billion a year, five times the current US\$100bn goal. These could be redirected in support of climate action.

Background

1. Climate finance is a key pillar of the Paris Agreement that enables implementation but also serves as a symbol of trust and collaboration between developed and developing countries.
2. It will be a major topic at COP 27 with pressure rising due to the failure of developed countries to meet the US \$100 billion goal by 2020 at COP 26. Donors acknowledge this shortcoming, and the Delivery Plan prepared by Canada and Germany provides the confidence that developing countries have [rightly] asked for that US\$100 billion goal will be met through to 2025.

3. There is also growing pressure to scale up adaptation finance. The Paris Agreement calls for climate finance to achieve a balance between mitigation and adaptation, but finance provided so far has disproportionately been for mitigation. The Glasgow Climate pact urged donors to deliver this balance, including by doubling collective adaptation finance by 2025 from 2019 levels.

New Zealand's current commitment

4. New Zealand's finance commitment for 2022-25 is NZ\$1.3 billion dollars in grant funding with at least 50 percent of this to be focused on the Pacific and 50 percent dedicated to adaptation. Of that commitment, \$800 million will be new funding to the aid programme (through which New Zealand delivers most of its climate finance). This represents a four-fold increase of our previous commitment from 2019-2022.

5. New Zealand announced its new international climate finance strategy *Tuia te Waka a Kiwa*¹³ in Tonga in August 2022. The strategy sets out the principles and priorities for the delivery of our new commitment.

New collective quantified goal (NCQG)

6. Deliberations on the NCQG started at COP 26 and are set to agree a new goal in 2024. The NCQG is viewed by all Parties as an opportunity to learn from the shortcomings of the current goal and create a more strategic climate finance goal that helps achieve the goals of the Paris Agreement.

7. NCQG deliberations are being supported by four technical expert dialogues per year that bring together both Parties and experts from civil society and the private sector to discuss the key issues the goal must address.

Multilateral climate funds

8. The Green Climate Fund and Global Environmental Facility are critical pieces of the climate finance infrastructure and the UNFCCC's financial mechanism. They and others like the Adaptation Fund play an important role in galvanising global commitment to climate finance and providing central access points for developing countries.

*Development, People, and Planet Division
Ministry of Foreign Affairs and Trade
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¹³ [Climate change support | New Zealand Ministry of Foreign Affairs and Trade \(mfat.govt.nz\)](https://www.mfat.govt.nz/en/Climate-change-support/Climate-change-support-New-Zealand-Ministry-of-Foreign-Affairs-and-Trade-(mfat.govt.nz).htm)

Forests, land use, and sustainable supply chains

Key messages

- Afforestation, and preventing deforestation and forest and land-use degradation, play a key role in global climate mitigation and adaptation efforts.
- Forest and land-use mitigation must have environmental integrity, including ensuring emission reductions and removals are additional, long-lasting, and verifiable.
- We support global efforts to prevent deforestation which promote legal and sustainable forest management, including through supply chains. It is important to ensure these initiatives avoid creating unnecessary or inappropriate trade barriers.

Background

COP 27 UK forest and sustainable supply chain initiatives

1. The UK intends to demonstrate action on the back of Parties signing the Glasgow Leaders Declaration on Forests and Land-use (GLD) at COP 26 by launching the FCLP (Forests & Climate Leaders' Partnership) and showing progress of the FACT (Forest, Agriculture, Commodity, and Trade) Dialogue at COP 27. The FCLP aims to create a new high ambition coalition for forest climate action, and establish a formal process for associated discussions, including for annual forest climate dialogues at each COP. The FACT dialogue aims to provide tools for countries to create "deforestation-free" supply chains.

COP27 agenda items relevant for forests and land-use

2. There are no major forest specific COP 27 agenda items. However, New Zealand does have an interest in ensuring the environmental integrity of forests and land-use under the Paris Agreement to support global mitigation actions and provide optionality for our engagement in forest and land-use based international carbon market approaches in future.

3. We also have an interest in mainstreaming forest and land-use climate action within the UNFCCC system. In particular, we support high integrity forest and land-use reporting under the UNFCCC and Paris Agreement. We also support global efforts to scale up forest and land-use climate mitigation and adaptation actions. The FAO and the IPCC have stressed the importance of increased global investment in sustainable forest measures to address the joint climate change, biodiversity, and food security crises.

New Zealand's NDC forest and land-use accounting approach

4. New Zealand has an economy-wide NDC which includes forests, land-use, and agriculture. We employ high integrity methods to account for removals and emissions in our UNFCCC reports and communications that meet Paris Agreement reporting requirements. This includes having methods which only credit additional sequestration from a set baseline and debit emissions from deforestation. We also use an "averaging approach" to accurately reflect the likely long-term carbon storage from New Zealand's production forests over several harvest and re-growth cycles. This ensures our accounting approach rewards New Zealand's additional forest mitigation actions, rather than recognising forest carbon stock changes from normal sustainable forest management activities.

Forest climate change policy in NZ

5. As a signatory to the GLD, New Zealand recognises the urgent need for action to halt and reverse global forest loss by 2030 and 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.

6. Since 2008 the NZ ETS has been encouraging forest mitigation by providing units for the establishment of new forests and additional carbon storage in existing forests. It also requires units to be surrendered for deforestation.¹⁴ Alongside recent ETS changes to encourage emissions reductions, from 2023 we will be implementing ETS reforms to further encourage forest establishment. This includes introducing an “averaging” accounting approach (which removes financial risk from unit surrenders for harvesting activities), and the creation of a new permanent forest activity (which recognises the higher carbon stocks in non-harvested forests). Our ETS forest rules have been designed to reflect our NDC accounting and Paris Agreement environmental integrity principles.

7. In 2022 the Government launched New Zealand's national adaptation plan (NAP) and emissions reduction plan (ERP). The NAP contains actions to reduce adaptation risks for indigenous forests and to treat erosion-prone land. The ERP includes actions to maximise the contribution of our forests to reducing emissions and provide a long-term native carbon sink (to offset emissions from sectors where it will take time to reduce emissions). The ERP actions will also support our transition to a high-value, low-emissions economy and enhance New Zealand's biodiversity and natural environment. Increasing the production of low emissions materials and energy made from wood fibre will be a major focus of New Zealand's Forestry and Wood Processing Industry Transformation Plan, which is due to be finalised this year.

Sustainability and legality of New Zealand's forest and agriculture supply chains

8. “Deforestation-free supply chain” proposals, including the UK's recently enacted import restrictions on “forest risk commodities” and a proposed EU regulation, are intended to prevent deforestation in areas like the Amazon Basin, where there are drivers to remove forest to produce agricultural products such as beef, soy, and palm oil. New Zealand does not import large quantities of these products from developing countries.¹⁵ New Zealand's interest is in ensuring these proposals recognise national circumstances and do not create unnecessary trade barriers. For example, to recognise in some circumstances production forests will need to be moved to new locations to improve environmental and socio-economic outcomes.

9. New Zealand's deforestation rate is low due to our strong land and resource use laws¹⁶, ETS and other economic incentives. New Zealand's forest sector actively obtains sustainable forest management certifications (69% of plantation forests are certified). New Zealand is also progressing legislation to establish a new legal harvest assurance system for domestic and imported timber products. Through this legislation and active engagement in international fora, New Zealand is assisting global efforts to halt the international trade in illegally harvested timber.

¹⁴ For most pre-1990 forests and all post-1989 forests voluntarily registered in the NZ ETS.

¹⁵ We do import palm kernel expeller (PKE) for supplementary livestock feed to address drought-driven grass shortages. PKE is a by-product of the palm oil industry and makes up 1% of palm plantation revenue.

¹⁶ NZ's natural forests are protected from deforestation by our Conservation and Forests Acts. Sustainable forest management practices are also required under our Resource Management Act and regulations enforced by local councils.

Human rights and climate change

Objective/New Zealand's position

- New Zealand is committed to climate action that is fully consistent with our human rights obligations.

Key messages

- Climate change poses an immediate threat to people around the world and has implications for the full enjoyment of human rights. The negative impacts of climate change disproportionately affect persons facing multiple and intersecting forms of discrimination, owing to geography, poverty, gender, age, disability, cultural or ethnic background and other marginalised identities.
- New Zealand is committed to a 'just transition' to a low emissions economy. We also recognise that Government policies can do more harm than good if not done right. Our Emissions Reduction Plan has policies in place to work collaboratively and inclusively with impacted groups to understand their needs.
- New Zealand recognises the human rights implications of our international development programming, including climate change initiatives. Aotearoa New Zealand's Human Rights Strategic Action Plan for International Development Cooperation 2021-2025 seeks to advance the realisation of human rights, prioritising people and groups at risk of being left behind.

Background

The direct effect of climate change on human rights

The impacts of climate change threaten a broad range of human rights, including:

- a) *The right to life*: Climate change threatens the life and safety of millions of people. An increase in extreme weather-related events like storms, floods and wildfires put peoples' right to life at risk. Such events have already caused significant loss of life. Climate change is predicted to cause increased deaths from malaria, malnutrition, diarrhoea and heat stress between 2030 and 2050.¹⁷ The extent of states' obligations to prevent threats to life from climate change is currently unsettled.
- b) *The right to self-determination*: Peoples whose homes and livelihoods are threatened by climate change risk losing their right to self-determination. The risk is particularly acute for peoples of low-lying countries (who may be forced to leave their homes as sea levels rise) and indigenous peoples.
- c) *The right to development*: The Intergovernmental Panel on Climate Change (IPCC) recognises that "climate change impacts are projected to slow down economic growth, make poverty reduction more difficult, further erode food security, and prolong existing

¹⁷ <https://www.who.int/news-room/fact-sheets/detail/climate-change-and-health>

and create new poverty traps, the latter particularly in urban areas and emerging hotspots of hunger".¹⁸

- d) *The right to adequate food*: Environmental changes, such as increased temperatures and changes to hydrological cycles and seasonal weather patterns, have far-reaching implications for agricultural systems. The World Bank estimates that a 2°C rise in global average temperature will put between 100 million and 400 million more people at risk of hunger.¹⁹
- e) *The right to water*: Fresh water shortages are being experienced already due to changes to rainfall, increased demand for water in higher temperatures and salinization of freshwater supplies. In turn, this creates or exacerbates conditions for conflict.²⁰
- f) *The right to the highest attainable standard of physical and mental health*: The adverse health impacts of climate change include premature deaths, increased incidences of respiratory disease, cardiovascular disease, malnutrition, stunting, wasting, allergies, heat stroke, injuries, water-borne and vector-borne diseases. Climate change also erodes many of the key social and environmental determinants of health, including access to adequate food and water, clean air, culture and livelihoods. Health is also affected by climate-related displacement, migration and reduced access to health-care services.²¹ There are also mental health challenges in times of acute disaster and with uncertainties related to slow-onset disasters.
- g) *The right to education*: Water and food shortages, acute weather disasters and other impacts of climate change lead to school closures or other reasons for children to not go to school.
- h) *The right to culture*: Forced relocation can impact on the relationship between people and their natural environment, and this may impact people's sense of self and wider cultural identity.
- i) *The right to be free from discrimination*: Marginalised groups are subject to heightened risks when their families, communities and societies are under disaster-related stresses. Marginalised groups include, amongst others, women and girls in all their diversity, children, the elderly, disabled people, Indigenous Peoples and local communities, ethnic/cultural minorities, and LGBTQIA+ people. Those people facing multiple and intersecting forms of discrimination are disproportionately impacted.
- j) *The rights of the child*: The Convention on the Rights of the Child, in describing the right to health, explicitly requires states to take measures to combat disease and malnutrition through the provision of food and clean drinking water and taking into account "the dangers and risks of environmental pollution".²² Children are particularly vulnerable to health problems exacerbated by climate change, including vector-borne diseases, malnutrition, acute respiratory infections, diarrhoea and other water-borne illnesses. Globally, over 500 million children live in extremely high-risk flood zones; 160 million

¹⁸ IPCC *Climate Change 2014: Synthesis Report: Summary for Policymakers* (2014) at 16.

¹⁹ The World Bank, *World Development Report 2010: Development and Climate Change* (2010) at 4-5.

²⁰ "Climate change is exacerbating world conflict, says Red Cross president" [The Guardian](#) (21 Oct 2018).

²¹ Report of the Special Rapporteur on human rights and the environment (A/74/161) at 31.

²² Article 24(2)(c), UN Convention on the Rights of the Child.

live in high or extremely high drought severity zones; and 115 million are at high risk from tropical cyclones.²³

- k) *The right to housing*: Extreme weather events are already destroying people's homes, leaving them displaced. Slower environmental change, like droughts, erosion and sea level rise, threaten the homes of millions of people.
- l) *The right to a clean, sustainable and healthy environment*: while non-binding in nature, many countries have embedded the right to a clean, sustainable and healthy environment in their domestic legislation. This right advocates for the protection of ecological systems that provide human health. The right is interconnected with other health-focused human rights, such as the right to water and sanitation, right to food and right to health.

Indirect effects of climate change action on human rights

1. Climate change mitigation and adaptation initiatives can have human rights implications. For example, the requisite transformation to a carbon neutral economy will adversely and disproportionately affect some individuals, households and communities whose economic well-being is tied to carbon-intensive industries.
2. Domestically, the New Zealand Government has committed to a 'just transition' to a low emissions economy. This commits the Government to partner with Māori, communities and the private sector to help realise the opportunities that will emerge from a low emissions economy and transitioning people into these opportunities. Our Emissions Reduction Plan has policies in place to enhance collaboration and inclusivity with impacted communities.
3. Human rights principles of non-discrimination, participation and accountability underpin and are integral to all aspects of New Zealand's development work. All interventions consider the implications for human rights to mitigate doing harm and, where possible, promote and progress the realisation of human rights.
4. Internationally, there are variable standards of human rights protections. Weaknesses in policies and processes have, on occasion, led to climate change projects having serious, adverse human rights outcomes.

The Human-Rights Based Approach to Climate Change Policymaking

5. A human rights-based approach (HRBA) to climate change policymaking, is being advocated for by the UN Office of the High Commissioner for Human Rights (OHCHR), among others.²⁴
6. The OHCHR explains the HRBA as: "a conceptual framework that is normatively based on international human rights standards and operationally directed to promoting and protecting human rights. It seeks to analyse obligations, inequalities and vulnerabilities and to redress

²³ Report of the Special Rapporteur on human rights and the environment (A/74/161) at 41.

²⁴ The HRBA to climate change policymaking builds on the HRBA to development, which focuses mainly on security and liberty of vulnerable people: see United Nations Development Group "How do human rights standards relate to the development programming process?" UN Practitioners' Portal on Human Rights Based Approaches to Programming <hrbaportal.org>.

discriminatory practices and unjust distributions of power that impede progress and undercut human rights.”²⁵

7. A UN Human Rights Council resolution on human rights and climate change notes that:

“human rights obligations and commitments have the potential to inform and strengthen international and national policymaking in the area of climate change, promoting policy coherence, legitimacy and sustainable outcomes”.²⁶

8. In summary, the HRBA to climate change policymaking involves deploying human rights in mitigation and adaptation policies and programmes as benchmarks, objectives and success indicators.

9. According to the OHCHR, UN agencies have agreed on the following essential attributes of a HRBA to climate change policymaking:

- a) As policies and programmes are formulated, a core objective should be to fulfil human rights.
- b) A HRBA identifies rights-holders and their entitlements, and corresponding duty-bearers and their obligations. It works towards strengthening the capacities of rights-holders to make their claims of duty-bearers to meet their obligations.
- c) Principles and standards derived from international human rights treaties should guide all policies and programmes in all sectors and in all phases of the process.

10. In addition, the Human Rights Council appointed Ian Fry as its first Special Rapporteur on the promotion and protection of human rights in the context of climate change in March 2022. The role which was spearheaded by the Marshall Islands and endorsed by Pacific Islands Forum Foreign Ministers in 2020, will work to strengthen the adoption by states of human rights-based climate change policies.

11. See Local Communities and Indigenous Peoples’ Platform brief for background on multilateral and domestic approaches to including indigenous peoples in climate policymaking.

²⁵ Office of the High Commissioner for Human Rights *Applying a Human Rights-based Approach to Climate Change Negotiations, Policies and Measures* (OHCHR, 2010). See also Mary Robinson Foundation *Incorporating Human Rights into Climate Action* (May 2016) at 5.

²⁶ *Human rights and climate change* HRC Res 10/4 (2009) at preamble, tenth recital.

IPCC 6th Assessment reports

Key points

The IPCC's Assessment Reports are written periodically (roughly every six to seven years) and aim to provide a comprehensive assessment of the literature on the scientific basis of climate change, its impacts and future risks, and options for adaptation and mitigation. Each full Assessment Report contains contributions from three Working Groups:

- Working Group I: the Physical Science Basis (released August 2021)
- Working Group II: Impacts, Adaptation and Vulnerability (released February 2022)
- Working Group III: Mitigation (released April 2022)
- A Synthesis Report summarising/synthesising key information from each Working Group is due to be released in March 2023.

The underlying reports and associated Summary for Policymakers (SPMs) of each Working Group underwent extremely thorough review processes and have been accepted by governments. We are therefore confident that they represent a thorough and comprehensive assessment of the science.

The full SPMs, underlying reports and regional information can be found here: [IPCC – Intergovernmental Panel on Climate Change](#)

Key findings of the **Working Group I** report include

- Human influence on the climate system is unequivocal. This is a stronger statement compared to the IPCC's 5th Assessment Report (AR5) and reflects the strengthened evidence of the impact of human activities on different aspects of the climate.
- The effects of human-induced climate change can also be seen on extreme weather events globally. Many of these events, including heatwaves, intense rainfall and droughts, have become more frequent and intense as a result of climate change and will continue to intensify.
- Some changes to the climate system, including sea level rise and loss of glaciers, is irreversible over centuries to millennia. However, the rate and magnitude of these committed changes still depends on future greenhouse gas emissions.
- Warming can still be limited to 1.5°C but requires net zero CO₂ emissions around 2050 and deep reductions in other greenhouse gases such as CH₄ (methane).

Key findings of the **Working Group II** report include

- A chapter dedicated to Australasia, which for the purpose of the IPCC includes just Australia and New Zealand. This chapter highlights ongoing climate trends in New Zealand, such as further warming and changing precipitation patterns.
- The magnitude and rate of climate change and associated risks depends strongly on near term mitigation and adaptation actions. Implementing adaptation measures with mitigation will support sustainable and climate resilient development.

- Existing vulnerabilities and social inequalities and inequities are exacerbated by climate change. Inclusive governance that prioritises equity and justice in adaptation planning and implementation can reduce these vulnerabilities and climate risk.
- A just transition as part of adaptation requires action now. Globally, financial flows are insufficient for and constrain implementation of a wide range of adaptation options. Delaying action will likely result in higher adaptation costs.

Key findings of the **Working Group III** report include

- Net anthropogenic greenhouse gas emissions have continued to increase globally since 2010 across all major sectors. Australia, Japan and New Zealand collectively contribute 3 per cent of global greenhouse gas emissions, down from 4 per cent in 2010.
- The responsibility for historic emissions played a large part in the approval process. Australia, Japan and New Zealand are historically responsible for 4 per cent of cumulative CO₂ emissions between 1850-2019.
- Limiting warming to 1.5°C with no or limited overshoot requires rapid, deep and in most cases immediate reductions in greenhouse gas emissions in all sectors. The report identifies many mitigation options for all sectors that, if adopted, will offer substantial potential to reduce emissions by 2030.
- The report provides a full assessment of various greenhouse gas metrics and their relevance to the policy-making process. It notes that the choice of metric depends on the purpose of the analysis and all metrics have limitations and uncertainties.

Background

This section highlights some of the key policy-relevant findings from each Working Group.

Working Group I: the Physical Science Basis

The impacts of climate change can be seen globally

1. Human-induced climate change is already affecting many weather and climate extremes in every region across the globe. Confidence in the attribution of heatwaves to climate change has strengthened significantly, to the point that it is now “virtually certain” that heatwaves have become more frequent and intense, and there is “high confidence” that climate change is the main driver. Similarly, heavy precipitation and drought events have increased.
2. Increases in the frequency of extreme events has increased the likelihood of compound extreme events (where multiple hazards combine to increase risks to human or ecological systems).
3. Projections of future sea level rise have increased slightly since AR5 due to improved estimates of future mass loss from the Antarctic Ice Sheet. A key advance in AR6 is the explicit recognition that sea level could fall outside the projected “likely” range, with sea level rise approaching 2 m by 2100 not ruled out under the highest emissions scenario due to considerable uncertainties regarding the processes driving sea level change.

Limiting warming to 1.5°C is still possible, but requires significant change

4. Future emissions scenarios, and their climate response, show that we can still limit warming to 1.5°C. In all assessed scenarios, the 1.5°C threshold is reached in the near term

(within the 20-year period 2021-2040), with the estimated crossing time in the early to mid-2030s.

5. Limiting warming to 1.5°C requires the globe to stay within a total carbon budget. For a 50 per cent chance of limiting warming to 1.5°C, the remaining global carbon budget is just 500 gigatonnes (Gt) CO₂ (from the start of 2020). At present, global net CO₂ emissions are about 43 Gt CO₂ per annum.

6. Although cumulative CO₂ emissions dominate warming, this carbon budget is contingent on methane emissions reducing rapidly at the same time. If methane emissions are not reduced rapidly, the remaining carbon budget will shrink considerably. Rapid and strong global reductions in methane are a critical component of limiting warming to 1.5 or 2°C.

7. The report reconfirms and re-emphasises the need for urgent action to reduce global emissions, but does not fundamentally change the scale of global action needed to achieve the goal of limiting warming to 1.5°C.

Working Group II: Impacts, Adaptation and Vulnerability

A just transition as part of adaptation requires adaptation now

8. The report finds that delaying action may result in higher costs when adaptation becomes more urgent and the impacts more extreme.

9. Current global financial flows for adaptation, including from public and private finance sources, are insufficient for and constrain implementation of adaptation options especially in developing countries. The overwhelming majority of global tracked climate finance was targeted to mitigation while a small proportion (estimated between 4-8 per cent) was targeted to adaptation.

10. How climate change will affect our communities and the quantum of associated losses and damages depends in part on how proactive we are in preparing for them now. Recognition of the role finance plays as an enabling condition of adaptation, dictating the ambition and feasibility of possible solutions, has strengthened since AR5.

11. Vulnerability to climate change is driven by socioeconomic development and unsustainable ocean and land use, among other factors. Impacts from climate change are crossing national boundaries from linked supply chains, markets, and natural resource flows. Increasing climate risks are also projected to exacerbate existing vulnerabilities and social inequalities and inequities, including between indigenous and non-indigenous peoples, and between generations, rural and urban areas, incomes and health status.

Integrated adaptation and mitigation policies support climate resilient development

12. Adapting to climate change requires significant system-wide changes to the way we live and govern. To facilitate the change, new governance frameworks, nationally consistent and accessible information, collaborative engagement and partnerships with all sectors, communities, and indigenous peoples, and the resources for these groups to address the risks, are needed.

13. Embedding effective and equitable adaptation and mitigation in development planning can reduce vulnerability, conserve and restore ecosystems, and enable climate resilient development. Integrated and inclusive system-oriented solutions based on equity and social and climate justice reduce risks and enable climate resilient development. This also requires decision-making processes, finance and actions to be integrated across governance levels, sectors and timeframes.

14. Urbanisation offers a critical opportunity in the near-term, to advance climate resilient development. Integrated, inclusive planning and investment in everyday decision-making about

urban infrastructure, including social, ecological and grey/physical infrastructures, can significantly increase the adaptive capacity of urban and rural settlements.

15. Nature-based solutions (NbS) are key to managing climate change from both a mitigation and an adaptation perspective. For example, coastal wetlands protect against coastal erosion and flooding associated with storms and sea level rise. However, they are vulnerable to climate change impacts and their effectiveness declines with increasing global warming as ecosystems approach the limits of their natural adaptive capacity. For example, rates of sea level rise will eventually exceed the ability of a wetland to build sediment.

New Zealand relevant findings

16. The Working Group II report includes a chapter dedicated to Australasia, which for the purpose of the IPCC includes just Australia and New Zealand. This chapter provides a wealth of information relevant to current work programmes, including the development of New Zealand's first national adaptation plan.

17. Further climate change is inevitable, with the rate and magnitude largely dependent on the emissions pathway. Ongoing climate trends in New Zealand include further warming and sea-level rise, more hot days and heatwaves, significant glacier retreat, less snow, more rainfall in the south, less rainfall in the north, and more extreme fire weather in the east.

18. Adaptation progress is uneven, due to gaps, barriers and limits to adaptation, and adaptive capacity limits. The region faces an extremely challenging future, and any delay in implementing adaptation and [global] emission reductions will impede climate change resilient development, resulting in more costly climate impacts and greater scale of adjustments.

19. Sea level rise poses a distinctive and severe adaptation challenge as it requires dealing with slow onset changes alongside increased frequency and magnitude of extreme sea level events. Adaptation challenges will occur earlier under high rates of sea level rise, in particular, if low-likelihood but high impact events such as collapsing ice sheets occur. Sea level rise is a key adaptation challenge for New Zealand given our extensive coastline and number of settlements and vital infrastructure in low lying areas. Responses to ongoing sea level rise and land-subsidence in low-lying coastal cities and settlements and small islands include protection, accommodation and coastal advance, and planned relocation.

20. There are important interactions between mitigation and adaptation policies and their implementation. For example, projected increases in fire, drought, pest incursions, storms and wind place forests at risk and affect their ongoing role in meeting New Zealand's emissions reduction goals.

Working Group III: Mitigation

Significant mitigation measures are required to reduce greenhouse gas emissions.

21. Net anthropogenic greenhouse gas emissions have increased since 2010 across all major sectors globally, with an increasing share of emissions attributed to urban areas. Urban areas can create opportunities to increase resource efficiency and significantly reduce GHG emissions through the systemic transition of infrastructure and urban form through low-emission development pathways towards net-zero emissions.

22. All global modelled pathways that limit warming to 1.5°C (>50%) with no or limited overshoot, and those that limit warming to 2°C (>67%) involve rapid and deep and in most cases immediate GHG emission reductions in all sectors.

23. The report identifies many mitigation options that are available now in all sectors, offering substantial potential to reduce emissions by 2030. The relative potential and cost of each mitigation option varies across countries and in the longer term compared to 2030, however

mitigation options costing USD100 per tonne of CO₂ equivalent or less could reduce global greenhouse gas emissions by at least half the 2019 level by 2030. Of this, options costing less than USD20 per tonne of CO₂ equivalent are estimated to make up more than half of this potential.

24. Accelerated and equitable climate action in mitigating, and adapting to, climate change impacts is critical to sustainable development. The Sustainable Development Goals (SDGs) adopted under the UN 2030 Agenda for Sustainable Development can be used as a basis for evaluating climate action in the context of Sustainable Development. This report begins to identify the synergies and trade-offs between sectoral and system mitigation options and the SDGs.

New Zealand relevant findings

25. In the report, Australia, Japan and New Zealand were grouped together as the only developed countries from the Asia-Pacific region to avoid the need to label countries as "developed" or "developing". The Asia Pacific or South East Asia and Pacific groupings used in the report include only developing countries. This was important during the government approval process as there is no agreed definition of "developed" or "developing", with the state of development being on a continuum.

26. Australia, Japan and New Zealand collectively contribute 3 per cent of global greenhouse gas emissions and are historically responsible for 4 per cent of cumulative CO₂ emissions between 1850-2019.

27. Australia, Japan and New Zealand rank joint second highest behind North America (Canada and the United States) in net greenhouse gas emissions per capita, at 13 tonnes CO₂ equivalent per capita. This aligns with rough estimates calculated using the 2019 New Zealand Greenhouse Gas Inventory, which estimates approximately 11.2 tonnes CO₂ equivalent per capita for net emissions in New Zealand²⁷.

28. Working Group III aggregates greenhouse gas emissions in its report on a CO₂ equivalent basis using the Global Warming Potential with a time horizon of 100 years (GWP100) with values based on the contribution of Working Group I to the Sixth Assessment Report. These values are an update on and are slightly different from the GWP100 values that New Zealand uses for its international greenhouse gas reporting, as these come from earlier IPCC reports. The Global Warming Potentials that New Zealand uses for its reporting are fully in line with internationally agreed guidelines.

29. The Summary for Policymakers notes that the choice of metric depends on the purpose of the analysis and all greenhouse gas emission metrics have limitations and uncertainties, given that they simplify the complexity of the physical climate system and its response to past and future greenhouse gas emissions.

30. The Working Group III contribution to the Sixth Assessment Report reports emissions and mitigation options for individual gases where possible. The underlying report provides a full assessment of various greenhouse gas metrics and their relevance to the policy-making process. CO₂ equivalent emissions are reported in addition to individual gas emissions where this is judged to be policy relevant. This approach aims to reduce ambiguity regarding actual climate outcomes over time arising from the use of any specific greenhouse gas emission metric.

²⁷ Note this is a quick calculation and not an official estimate.

Loss and Damage

Objective

- Support a landing zone at COP27 that sees a swift, equitable and transparent process to find solutions on financing for loss and damage that make a real difference for vulnerable nations.
- Reinforce the perspective that the UNFCCC response to financing for loss and damage requires a multitrack response, in which technical and policy support is valued alongside provision of finance.

Key points

- For Aotearoa New Zealand the urgency of addressing loss and damage is clear. In our region, the Pacific, vulnerability to the impacts of climate change is acute, and loss and damage is a present day reality and existential threat.
- Pacific Forum Leaders, including our Prime Minister, have called for meaningful progress on loss and damage at COP27.
- Critically, the IPCC Sixth Assessment report (AR6) has found that losses and damages are **not comprehensively addressed by current financial, governance and institutional arrangements**, particularly in vulnerable developing countries. AR6 also found that:
 - Losses and damages escalate with every increment of global warming and become increasingly difficult to avoid, while strongly concentrated among the poorest vulnerable populations.
 - Near-term action that would limit global warming to 1.5°C would reduce future losses and damages but cannot eliminate them all.
 - Adaptation does not prevent all losses and damages, even with effective adaptation and before reaching soft and hard limits.
- Developing countries including in the Pacific have called for a dedicated UNFCCC loss and damage finance facility. Our Pacific neighbours have identified particular gaps in access to finance to address slow onset and non-economic losses including activities around relocation and memorialisation of culture; as well as post-disaster rebuild.
- New Zealand is not opposed to a facility as part of a comprehensive UNFCCC solution, but it will be important to get the leg work right to ensure dedicated funding and any other arrangements to address loss and damage are sustainable and deliver for our region.
- We do not support a compensation narrative around financing action on loss and damage, but do want to keep the door open to contributions by major developing country emitters.
- Our climate finance strategy anticipates New Zealand will continue to provide finance for action on loss and damage bilaterally. It is important to us that we can continue to do this.
- It is also a priority for New Zealand that we operationalise the Santiago Network, and make full use of the Glasgow Dialogue and WIM.

Background

1. Loss and damage is expected to be a headline issue at COP27. Recognition for loss and damage as the “fourth pillar” of the UNFCCC has consolidated in the run up to Sharm-el-Sheik. Egypt has appointed Germany (Climate Envoy Jennifer Morgan) and Chile (Minister for the Environment, Maisa Rojas) to progress this issue in advance of and at the COP.
2. While loss and damage has been referenced in previous IPCC reports, the 2022 IPCC AR6 WG II report has gone much further with its findings that current financial, governance and institutional arrangements to address losses and damages are insufficient, that losses and damages are being experienced now, that they are projected to increase with global warming and that even effective adaptation will not be able to prevent all losses and damages.
3. Finance for Loss and Damage was a critical issue in the lead up to and at COP26. A push by developing countries to establish a Loss and Damage Facility resulted in the Glasgow Dialogue which is due to run through until 2024, with countries agreeing “to discuss the arrangements for the funding of activities to avert, minimize and address loss and damage” .
4. Developing countries remain unsatisfied with the open-ended nature of the Glasgow Dialogue and want to cement an outcome of funding arrangements for loss and damage. The most prominent proposal from developing countries is for a loss and damage finance “facility” –a multilateral climate fund dedicated to loss and damage. AOSIS has championed this, and it is a significant priority for PSIDs.
5. New Zealand considers it will be important that Parties discuss loss and damage finance arrangements and supports an agenda item framed around consideration of the issue broadly rather than pre-supposing the establishment of a Loss and Damage Finance Facility. We support however, a more tangible commitment that the Glasgow Dialogue will deliver decisions on funding arrangements.
6. We want to support a landing zone at COP27 that sees a swift, equitable and transparent process to find solutions on financing for loss and damage that make a real difference for vulnerable nations.
7. Any decision making around a dedicated loss and damage facility or broader funding arrangements will be complex. Experiences of countries in our region accessing the GCF have proved challenging. Consideration needs to be given to:
 - The extent to which existing mechanisms are suitable (or can be made more suitable) to meet the existing need;
 - The extent to which a new facility can generate additional resources, or potentially detract from funding to existing institutions;
 - Institutional considerations such as eligibility of countries; how to meet the needs of a range of widely differing countries, across a potentially very wide range of issues; what would be funded, and what would be more appropriately covered by existing adaptation finance mechanisms). Any fund would need to be distinct from funding for adaptation projects; and
 - Governance arrangements.

Nature-based Solutions

Key points

- New Zealand acknowledges nature-based solutions as integral to global climate change mitigation and adaptation and disaster risk reduction efforts.
- Socio-economic and environmental co-benefits and safeguards, including for biodiversity and maintaining and enhancing the rights of indigenous peoples, are a key part of nature-based solutions.
- New Zealand recognises the climate and biodiversity crises are inextricably linked and is committed to aligning work and taking strong action in both areas.
- Nature-based solutions form part of New Zealand's emissions reduction plan, national adaptation plan, International Engagement Plan, and climate finance strategy.

Background

1. New Zealand supports the concept of 'nature-based solutions' and is promoting the increased take up of nature-based solutions to climate change globally, in NZ, and in the Pacific, while recognising that these actions need to complement and not replace the need for stringent emission reductions in other sectors. For example, New Zealand's Emissions Reduction Plan includes actions to restore and protect native forests to achieve climate change mitigation and adaptation, and biodiversity benefits. Te ao Māori and mātauranga Māori will also play a vital role in designing our nature-based solutions.

International engagement on Nature-based Solutions

2. The **IUCN** has championed nature-based solutions for over 20 years and in 2020 developed a [Global Standard for Nature-based Solutions](#). The IUCN defined nature-based solutions as "Actions to protect, sustainably manage and restore natural or modified ecosystems that address societal challenges effectively and adaptively, simultaneously providing human well-being and biodiversity benefits".

3. In 2019, as part of the **UN Climate Action Summit**, New Zealand and China co-led the work-stream on Nature-based Solutions, highlighting them as an effective method to combat climate change.

4. At the **UN Environment Assembly** in February 2022, an intensely-debated resolution put forward by the EU, supported by Costa Rica, Colombia, Pakistan and Peru, resulted in a multilaterally agreed definition of nature-based solutions:

"...nature-based solutions are actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services, resilience and biodiversity benefits... and recognises that they "respect social and environmental safeguards, including those for local communities and indigenous peoples" and "play an essential role in the overall global effort to achieve the Sustainable Development Goals".

5. The resolution committed UNEP to convening intergovernmental consultations to compile examples of best practice in nature-based solutions, assess and discuss new proposals, criteria, standards and guidelines with a view to reaching a common understanding on implementation, and identify options for supporting sustainable investment in nature-based solutions. These consultations will start in the first half of 2023.

6. In the **Convention on Biological Diversity** negotiations on the post-2020 Global Biodiversity Framework, some Parties (including New Zealand) support references to nature-based solutions, especially in Target 8 on climate change. Others are opposed, arguing that the

correct term within the CBD is “ecosystem-based approaches”. This debate continues, notwithstanding the progress made in the UN Environment Assembly earlier this year.

Nature-based solutions for climate change and biodiversity

7. **Land, forests, and oceans are important carbon sinks and potential emissions sources²⁸.** The Working Group III contribution to the IPCC’s Sixth Assessment report (mitigation) is clear that limiting global warming to 1.5°C will require emissions reductions from the land sectors, including livestock agriculture and forests, alongside rapid reductions in fossil fuel emissions. It also highlights the potential co-benefits and risks of nature-based climate change solutions. For example, restoration of wetlands and preservation of native forests can reduce emissions and achieve biodiversity and adaptation benefits. Nature-based solutions can also create employment and economic opportunities that support an equitable transition, including for indigenous peoples.

8. However, **not all nature-based interventions result in socioeconomic and environmental co-benefits.** For example, planting forests in inappropriate locations could undermine indigenous peoples’ property rights or reduce water quality or availability. The IPCC also highlights that nature-based solutions for climate change are vulnerable to the impacts of climate change, with effectiveness declining with increasing global warming.

²⁸ Deforestation and degradation of forests accounts for 11 percent of CO₂ emissions globally, while the total land sector, including livestock agriculture is responsible for almost 25% of all global emissions.

Local Communities and Indigenous Peoples Platform

Key points

- Continue to support the work of the Facilitative Working Group (FWG) in operationalising the Local Communities and Indigenous Peoples Platform (LCIPP).
- Play an active and constructive role in the FWG of the LCIPP as the Western Europe and Others Group (WEOG) representative.
- Climate change poses a significant risk for Māori but they are, as are many indigenous peoples around the world, great agents of change. We want to support and empower Māori to share Aotearoa New Zealand's experiences of how they have shaped domestic environmental and climate policy, particularly in relation to the development of New Zealand's emissions reduction plan and national adaptation plan.
- The Glasgow Climate Pact emphasises the important role of indigenous peoples' and local communities' culture and knowledge in effective action on climate change and urges Parties to actively involve indigenous peoples and local communities in designing and implementing climate action. Aotearoa New Zealand encourages the involvement of indigenous peoples and local communities in the LCIPP, regardless of their countries' position on participation these groups in domestic policy-making.
- A key outcome from the Emissions Reduction Plan and National Adaptation Plan is to establish a platform for Māori climate action. The platform will be a space to build relationships and capacity on both sides of the Crown–Māori relationship, to provide more equal partnership and improve knowledge and data to help Māori plan for transitional and climate change impacts.
- As in the past, we will have iwi Māori representation accompany us on the official Aotearoa New Zealand delegation to COP27. We are pleased to support them to share their experiences and work with other indigenous peoples groups to strengthen indigenous perspectives in the UNFCCC process and in domestic climate action.

Background

1. The Local Communities and Indigenous Peoples Platform (LCIPP) was established pursuant to paragraph 135 of Decision 1/CP.21. It aims to facilitate local communities and indigenous peoples to exchange, with Parties, experiences and sharing of best practices on mitigation and adaptation in a holistic and integrated manner. The LCIPP Facilitative Working Group (FWG) is a constituted body that was established at COP24 in Katowice, December 2018.
2. The FWG was established with the objective of further operationalising the LCIPP and facilitating the implementation of its three functions related to knowledge, capacity for engagement, and climate change policies and actions. It will also collaborate with other bodies under and outside the Convention, as appropriate, to enhance the coherence of the actions of the Platform under the Convention. The UNFCCC secretariat supports and facilitates the work of the body.
3. The FWG is comprised of 14 representatives, half of which are representatives of Parties, and half of which are representatives from indigenous peoples' organisations. The addition of

three representatives of local communities and three additional Party representatives were considered at COP26 as part of a broader review mandated by para 27 2/CP.24²⁹.

4. New Zealand had previously attended the FWG meetings as an “observer” and provided input through the Western Europe and Others Group (WEOG) representative. At COP26 New Zealand successfully nominated Tiana Carter for the role of WEOG representative. Her term began at FWG7 in May 2022 and will end in May 2025.

5. At FWG1, a two-year work plan for 2020-2021 was proposed and welcomed at SBSTA 51. The work plan contained 30 activities, which decision 2/CP.24 requested that the FWG report on its outcomes and present a draft three-year work plan. The FWG5 report³⁰ and 2022-2024 work plan was welcomed and adopted in decision 16/CP.26³¹.

6. At the virtual FWG5 in June 2021, New Zealand supported the streamlining of activities under the work plan. The new 2022-2024 work plan contains 9 activities, which build on previous activities under the first work plan.

7. The FWG7 took place at SB56 in Bonn in June 2022. The focus of the meeting was mainly procedural (appointment of co-chairs and vice co-chairs, co-leads for 2022-2024 workplan activities) and on getting the new members up to speed on the work of the FWG. Tiana Carter was appointed as vice co-chair.

8. The functions of the Platform provide opportunities to highlight to others globally indigenous peoples’ engagement in domestic mitigation and adaptation. For example, during consultation on the Zero Carbon Bill Discussion Document in 2018, specific hui were held with the Federation of Māori Authorities (FOMA) and Te Rūnanga o Ngāi Tahu. The Te Arawa Lakes Trust also coordinated a hui in Rotorua with members of Te Urunga o Kea (Te Arawa Climate Change Working Group). The Climate Change Commission, set up by the Zero Carbon Act, specifically considered Crown-Māori relations, iwi/Māori interests and impacts on Māori in undertaking its work and the Government’s response under this framework.

9. A key outcome from the emissions reduction plan was the establishment of the Māori Climate Action Platform. The platform will be a space to build relationships and capacity on both sides of the Crown-Māori relationship, to provide more equal partnership and improve knowledge and data to help Māori plan for transitional and climate change impacts.

10. The platform will build on the three focus areas of: partnership and representation, strategy and alignment, and community activation. It will support the expertise and leadership of Māori, empower Māori and elevate te ao Māori or the Māori worldview in the context of the transition. It will serve as one vehicle to support an equitable transition for Māori, led by Māori.

11. The Platform will be established in two phases. The first phase will be the establishment of an interim ministerial advisory committee. Currently, MfE is leading the process for establishing this committee and it will be launched before the end of the year. The second phase, the Māori Climate Action Platform, will be established by 2024.

12. In regards to adaptation, iwi and hapū were engaged in the development of the national adaptation plan (NAP), specifically on how the government can enable system-wide change to support locally-led adaptation action. The Ministry for the Environment partnered with Māori

²⁹ COP24 report (FCCC/CP/2018/10/Add.1):

<https://unfccc.int/sites/default/files/resource/10a1.pdf>

³⁰ Report of the FWG of the LCIPP (FCCC/SBSTA/2021/1):

https://unfccc.int/sites/default/files/resource/sbsta2021_01E.pdf

³¹ COP26 Report (FCCC/CP/2021/12/Add.2):

https://unfccc.int/sites/default/files/resource/cp2021_12_add2_adv.pdf

organisations to facilitate discussions and run thematic workshops and webinars to seek input from iwi and hapū on the draft NAP.

13. In working in partnership with Māori to develop and implement the NAP, the New Zealand Government acknowledged an indigenous world view of climate change and the criticality of Mātauranga Māori (Māori traditional knowledge) at both the iwi and hapū level to inform local and central government adaptation responses. Taking a locally-led and intergenerational approach to adaptation will help ensure outcomes are effective and build resilience in the long-term.

14. In 2019, we consulted with iwi Māori on the negotiating mandate for the UNFCCC and received positive responses supporting our positions. We will undertake an in-depth review of our mandate early 2023, and welcome opportunities to engage with iwi and hapū on this.

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Pacific Climate Change Priorities

Key points

- With climate change posing catastrophic risks to the Pacific and growing frustration from our Pacific partners that not enough is being done, significant ambition and solutions across the COP agenda is essential.
- New Zealand stands with the Pacific in their call for efforts to limit global warming to 1.5°C through increased mitigation ambition, finance solutions to fill the loss and damage (L&D) gap, and scaled-up climate finance to meet the USD\$100 billion goal.
- An outcome on funding for L&D at COP27 is a top priority for Pacific Small Island Developing States (PSIDS). There is consensus among PSIDS that there is an urgent gap in the UNFCCC finance mechanisms for a missing 'fourth pillar' on L&D in addition to mitigation, adaptation and finance. New Zealand recognises the urgency of addressing L&D and supports understanding the full range of possible solutions to close the gap.
- Ambitious action on the ocean-climate nexus is a priority for New Zealand and Pacific Island countries. This includes continued advocacy for Pacific Islands Forum Leaders' *Declaration on Preserving Marine Zones in the Face of Climate Change-Related Sea-Level Rise*.

Background

1. The Pacific needs support to rebuild and enhance resilience after the COVID-19 pandemic – especially regarding the region's dependence on tourism, a sector that will be greatly affected by the impacts of climate change. The pandemic continues to reverse decades of progress on key Sustainable Development Goals around the world, undermining adaptation efforts. This also impacts mitigation ambition if countries lock in fossil fuel pathways to economic recovery.
2. New Zealand prioritises "standing with the Pacific" on climate change in this challenging environment. We seek to amplify the Pacific voice on the international stage, and support Pacific ambitions to implement mitigation and adaptation, and solutions to close the L&D finance gap. At COP27, we are funding the Moana Blue Pacific Pavilion (and Pacific delegation office), which will host a series of events highlighting Pacific leadership and issues of significance.

Loss and Damage

3. Pacific Island countries are some of the most exposed in the world to the effects of climate change, with indications that adaptation limits are already approaching in some locations. While robust attribution is difficult in the region due to a paucity of good data, that climate change is causing loss and damage in the region is certain. As extreme weather events intensify, sea level rises, and average temperatures increase, the economic and non-economic costs will become increasingly apparent.
4. Pacific Island countries are among a wide range of developing countries calling for a dedicated Loss and Damage Finance Facility to fill the loss and damage finance gap. New Zealand supported and endorsed the Pacific's call for an agenda item on L&D financing at the FEMM, which was important for the region heading into COP. While New Zealand won't oppose a facility, we also want to encourage creativity and flexibility in finding responses to the call for dedicated finance for L&D, beginning with a better understanding of the problem and the full range of

possible finance solutions available rather than landing on a solution (such as a global finance facility) first.

Oceans

5. Ocean health is essential to the well-being of the Pacific but is severely at risk from climate change due to acidification, warming and deoxygenation. The ocean-climate nexus emphasises the role of the ocean in the global climate system and that this could be better captured in climate change discussions. We support better integration among the international ocean and climate processes, but want to avoid duplicating work that is already being done.

6. The impact of sea-level rise on maritime zones is a priority issue for Pacific Islands Forum members. Maritime zones, and the resource rights that come with them, are essential to Pacific countries' economies, identities and ways of life. The *Declaration on Preserving Maritime Zones in the Face of Climate Change-Related Sea-Level-Rise* makes clear our intention to maintain our zones, without reduction.

7. For more information, please refer to the Climate Changes and Oceans thematic brief.

Access to finance

8. A significant amount of finance is required to help Pacific Island countries adapt to the impacts of climate change and meet their Nationally Determined Contributions under the Paris Agreement. Access to climate finance can be difficult for the Pacific and the costs and frustrations in navigating access to climate funds are amplified by limited resources. Consequently, Pacific Island countries rely on others to get finance for them, meaning country priorities are not always reflected. Absorbative capacity in the Pacific to manage large amounts of finance is also a challenge.

9. New Zealand tries to overcome these issues by advocating for simpler access processes and procedures in climate funds, such as the Green Climate Fund. We also provide support for project development, including through contributions to project units within the Pacific's regional agencies.

Pacific Political Climate Champions

10. PIF members first confirmed Pacific Political Champions at COP26. The following Champions will be attending COP27:

- Champion for Climate Finance: Honourable Mark Brown, Prime Minister of the Cook Islands.
- Champion for Climate Ambition: TBC, Republic of the Marshall Islands.
- Champion for Loss and Damage: Honourable Seve Paeniu, Minister of Finance for Tuvalu.
- Champion for Oceans and Climate Finance: Honourable Aiyaz Sayed-Khaiyum, Attorney General and Minister of Economy for Fiji.
- Champion for Environmental Integrity: Honourable Steven Victor, Minister of Agriculture, Fisheries and Environment for the Republic of Palau.

ANNEX

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Useful links

UNFCCC	
UNFCCC COP27 website	Sharm el-Sheikh Climate Change Conference - November 2022 UNFCCC
Provisional agendas & annotations	COP27 CMP17 CMA4 SBI57 SBSTA57
Programme of mandated events and side events	Overview schedule Official side events
COP27 virtual platform	Join the COP 27 virtual platform UNFCCC
New Zealand policy	
Emissions Reduction Plan	ERP document ERP summary
National Adaptation Plan	Website Draft NAP
International Engagement Plan	IEP IEP Country objectives COP26 Initiatives
Aotearoa New Zealand International Climate Finance Strategy – Tuia te Waka a Kiwa	Strategy document

New Zealand's emissions profile

In 2020, the latest year of the inventory:

Gross emissions³² were 78.8 million tonnes of carbon dioxide equivalent (Mt CO₂-e), 20.8 per cent higher than in 1990. The five emission sources that contributed the most to this increase were:

- enteric fermentation from an increase in the dairy cattle population (methane),
- fuel use in road transport due to traffic growth (carbon dioxide),
- agricultural soils, from increased fertiliser use (nitrous oxide),
- fuel use in *Manufacturing industries and construction* from increased production due to economic growth (carbon dioxide),
- and industrial and household refrigeration and air-conditioning systems from increased use of hydrofluorocarbon-based refrigerants that replaced ozone depleting substances (fluorinated gases).

Table 1. 2020 gross emissions by sector

Sector	%
Agriculture	50.0
Energy ³³	39.9
Industrial processes and product use	5.9
Waste	4.1

Table 2. 2020 gross emissions by gas type (% on CO₂-e basis)

Gas	%
Carbon dioxide (CO ₂)	43.7
Methane (CH ₄)	43.5
Nitrous oxide (N ₂ O)	10.7
PFCs, HFCs ³⁴ & SF ₆	2.0

Table 3. Changes in emissions between 1990 and 2020, in Mt CO₂-e.

Emissions	1990	2020	Change since 1990	% change
Energy ²	23.9	31.5	↑ 7.6	↑ 31.8
Industrial processes and product use	3.6	4.6	↑ 1.0	↑ 29.0
Agriculture	33.8	39.4	↑ 5.6	↑ 16.7
Waste	3.9	3.3	↓-0.7	↓-17.1
Gross emissions	65.2	78.8	↑ 13.6	↑ 20.8
LULUCF	-21.2	-23.3	↓-2.1	↓-9.8
Net emissions	44.0	55.5	↑ 11.5	↑ 26.1

Note: The negative signs for LULUCF (land use and forestry) are to indicate the numbers are net removals rather than emissions. Emissions from Tokelau are very small and not included in the table, totalling 0.0042 Mt CO₂-e in 2020.

³² Gross emissions comprise the Energy, Agriculture, Industrial Processes and Product Use & Waste sectors as well as emissions from Tokelau. *Net* emissions are Gross emissions plus the Land use, Land-use Change and Forestry (LULUCF) sector.

³³ In the inventory, emissions from transport are included in the Energy sector.

³⁴ Bulk imports of HFCs are to be phased down under the Kigali Amendment to the Montreal Protocol.

Interactive graphs of emissions from all sectors and categories in New Zealand's inventory can be accessed at <http://emissionstracker.mfe.govt.nz/>

Emissions projections:

New Zealand's gross emissions (excluding LULUCF) are currently projected to remain steady in the short term before declining slightly through to 2030. New Zealand's net emissions (including LULUCF) are projected to increase until the mid-late 2020s before decreasing. New Zealand's planted forest estate has a large influence on its net emissions. Net emissions at any given point in time will be strongly influenced by the planting and harvesting cycles of New Zealand's planted forest in the LULUCF sector (Figure 1).

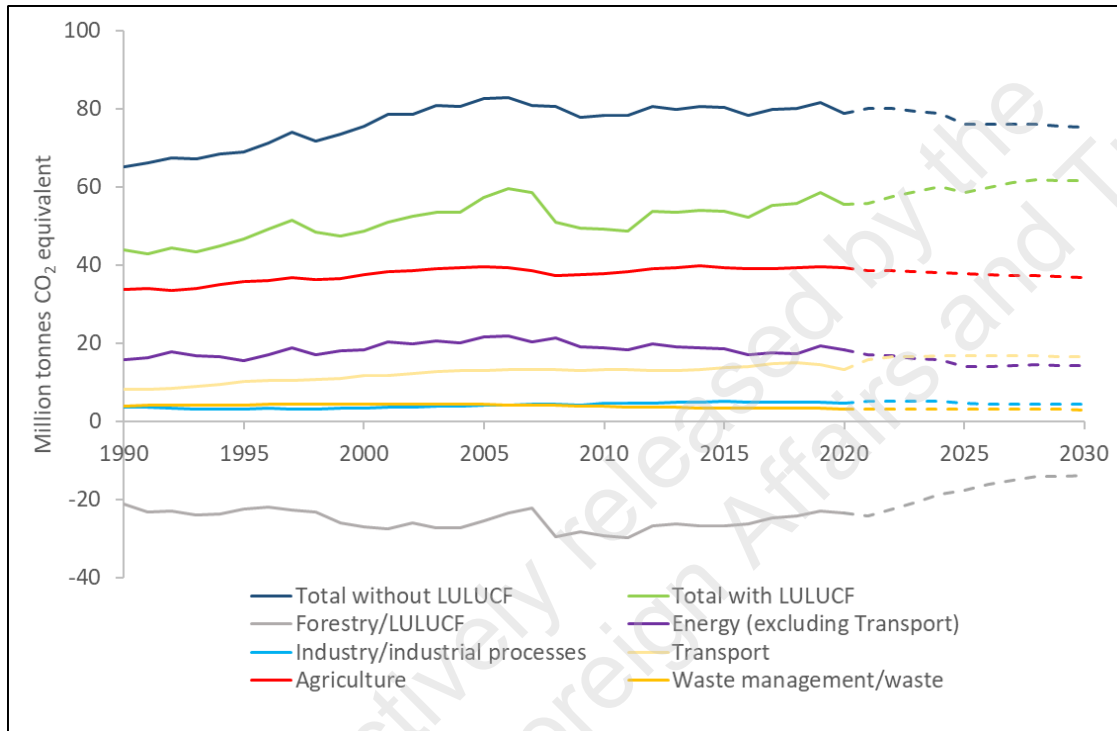


Figure 1. New Zealand's actual (solid lines) and projected (dashed lines) emissions from 1990 to 2030 under the UNFCCC.

Note: Gross emissions exclude the LULUCF sector. Transport has been separated out from the Energy sector for this graph. Updated emission projections based on the latest greenhouse gas inventory are to be published in December 2022 within New Zealand's Eighth National Communication and Fifth Biennial Report.

Data sources for the figure: 1990-2020 is from the 2022 submission of the greenhouse gas inventory. Data available at <https://environment.govt.nz/publications/new-zealands-greenhouse-gas-inventory-1990-2020/>. 2021-2030 is from New Zealand's projected greenhouse gas emissions to 2050. Data file available at <https://environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/emissions-reduction-targets/new-zealands-projected-greenhouse-gas-emissions-to-2050/>.