

19 July 2018

New Zealand Productivity Commission
PO Box 8036
The Terrace
Wellington 6143

To whom it may concern,

Thank you for the opportunity to contribute to this important conversation.

Please find attached the final version of *Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors*, which forms the bulk of the McGuinness Institute’s submission in support of a low-emissions economy.

Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors is particularly relevant regarding some of the sections in Chapter 6: Investment, including ‘Climate related financial disclosure requirements’ (pp. 148–151), ‘Existing reporting requirements’ (pp. 151–152), ‘Industry-developed reporting requirements’ (p. 152) and ‘Government-mandated reporting requirements’ (pp. 152–154). Our research highlights the current extent of climate change reporting in New Zealand and, in our opinion, the current standard is not sufficient to build an informed society capable of withstanding the effects of climate change.

Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors draws on the core elements of recommended climate-related financial disclosures from the Task Force on Climate-related Financial Disclosures (TCFD): governance, strategy, risk management and metrics and targets. In the context of our research, these were adapted further into six categories of climate change information:

1. climate change risks,
2. emission metrics,
3. emission costs,
4. emission controls,
5. emission targets and
6. climate change initiatives.

These elements are mapped on a diagram of problem solving, linking: risk to identifying the problem (Phase 1), metrics and costs to understanding and benchmarking a problem (Phase 2) and controls, targets and initiatives to managing a problem (Phase 3).

Our overall observations and recommendations are found in Section 9.

Please do not hesitate to contact me if you have any questions or would like to discuss any of this research in further detail.

Yours sincerely,



Wendy McGuinness
Chief Executive

wmcg@mcguinnessinstitute.org
+64 4 499 8888