


Subject: OIA Request: Obligation to disclose liability for Paris Agreement commitments (Our Ref OIA 2022/06)
Date: Sunday, 6 November 2022 at 11:30:38 AM New Zealand Daylight Time
From: Wendy McGuinness
To: 
CC: Patrick Shonakan
Attachments: image001.png, 20220202-DP-2021-04-Draft.pdf

Mōrena,

Official Information Request – Our Ref 2022/06: Obligation to disclose liability for Paris Agreement commitments

The Institute is in the process of finalising a draft discussion paper: *Discussion Paper 2021/04 – An Accounting Dilemma: Does a commitment to purchase offshore carbon credits create a requirement to disclose that obligation in the financial statements of the New Zealand Government?* (2021, draft attached).

We note that the ‘Independent Audit Report of the Controller and Auditor – General’ states in the 2022 *Financial Statements of the Government of New Zealand* (p. 36) that: ‘We reviewed the annual financial statements of **other governments** to see whether they had recognised a liability for their Paris Agreement commitments’ [bold added].

Q1: Does this statement mean that no ‘other governments’ reviewed recognised this liability? Can you confirm our assumption is correct?

Q2: Can you list the ‘other governments’ that were included in your review and provide links to their respective financial statements?

Q3: In completing your review, did you look to see if the governments concerned had a similar requirement in law ‘to meets its international obligations under ... the Paris Agreement’. See New Zealand’s below.

Q4: If you prepared a memo, paper or report on this topic, can we please have a copy?

Q5: Can you provide any relevant correspondence with Treasury on this matter? We appreciate that ‘whether to disclose or not’ is a matter of judgement; our aim is simply to gain a detailed understanding of the reasoning behind that judgement.

Our current thinking is that if the NZ government is committed to pay the liability in 2030, it is in the public’s interest to include that liability in the financial statements in 2023 (in some form). In this way, New Zealanders can work harder today to reduce the size of this liability in 2030.

Thank you for your help in this matter.

Best wishes, Wendy

Wendy McGuinness

Chief Executive

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Climate Change Response Act 2002

If you need more information about this Act, please contact the administering agency: **Ministry for the Environment**

- Warning: [Some amendments have not yet been incorporated](#)
- with search matches not highlighted

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3 Purpose

- (1) The purpose of this Act is to—
- (aa) provide a framework by which New Zealand can develop and implement climate change policies that—
 - (i) contribute to the global effort under the Paris Agreement to limit the increase in global average surface temperature to 1.5° Celsius above pre-industrial levels; and
 - (ii) allow New Zealand to prepare for, and adapt to, the effects of climate change.
 - (a) enable New Zealand to meet its international obligations under the Convention on Biological Diversity, including (but not limited to)—