



Cabinet

Minute of Decision

McGuinness Institute title:
[CAB-22-MIN-0055.01] Emissions
Reduction Plan: Government
Accountability and Coordination

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Emissions Reduction Plan: Government Accountability and Coordination

Portfolio **Climate Change**

On 7 March 2022, following reference from the Cabinet Economic Development Committee, Cabinet:

- 1 **noted** that on 23 August 2021, Cabinet agreed in principle to broadly accept the Climate Change Commission's (the Commission) advice on emissions budgets based on its assessment that the emissions budgets were ambitious but achievable, with modifications to revise forestry projections and the use of offshore mitigation [CAB-21-MIN-0320.01];
- 2 **agreed** to accept the following Climate Change Commission recommendations in full:
 - 2.1 to nominate specific Ministers and agencies with accountability for implementing policies and strategies in the emissions reduction plan in line with emissions budgets (recommendation 9.1);
 - 2.2 to provide consistent signalling across investments, policy statements, direction to officials, internal policies, and directives to ensure that all regulatory and policy frameworks and decisions are aligned with low emissions and climate resilient objectives (recommendation 9.4);
 - 2.3 to require Crown agencies, entities, and Crown-owned companies to include climate change as part of their decision making. The Commission noted that this should be a particular focus for long-lived investments, such as housing and transport infrastructure, to help achieve emissions reduction and climate-resilience objectives, and should include embodied emissions (recommendation 12.4);
- 3 **noted** that on 23 August 2021, Cabinet agreed:
 - 3.1 that strong governance and accountability mechanisms are needed to keep the emissions reduction plan on track and ensure that any corrective actions can be taken with high priority and urgency;
 - 3.2 that sector sub-targets be used to measure the progress of each sector towards meeting the emissions reduction plan;
 - 3.3 to set the sub-targets for the first emissions budget period;

[CAB-21-MIN-0320.01]

4 **noted** that timely, robust, and transparent monitoring and reporting will be essential to support the active management of the emissions reduction plan and accountability for its delivery;

5 s 9(2)(f)(iv)

6 **directed** the Minister of Climate Change to report to Cabinet in April 2022 with a proposal outlining the reporting requirements, to be included in the emissions reduction plan;

7 **noted** that implementation of the first emissions reduction plan will require coordination of effort across relevant agencies;

8 **agreed** that the Climate Change Response Ministerial Group will oversee the progress of the emissions reduction plan;

9 **agreed** to nominate relevant Ministers and public sector Chief Executives to each action included in the emissions reduction plan;

10 **agreed** to nominate relevant Ministers and public sector Chief Executives to oversee progress against each sub-target, as follows:

Sector (All gases, net (AR5), expressed in MtCO ₂ -e)	Emissions budget #1 (2022-2025)	Emissions budget #2 (2026-2030)	Emissions budget #3 (2031-2035)	Relevant agency or agencies	Responsible Minister
Transport Energy	65.9	76.0	56.8	Ministry of Transport	Minister of Transport
Energy and Industry	70.1	72.8	63.3	Ministry of Business, Innovation and Employment	Minister of Energy and Resources
Agriculture	159.4	191.0	183.0	Ministry for Primary Industries	Minister of Agriculture
Waste	13.7	14.9	12.7	Ministry of the Environment	Minister for the Environment
F-gases	6.8	7.5	5.9	Ministry of the Environment	Minister for the Environment
Forestry	(24.9)	(55.2)	(79.6)	Ministry for Primary Industries	Minister of Forestry
Total	292.0	307.0	242.0	Climate Change Chief Executives	Prime Minister

11 s 9(2)(f)(iv)

12 **agreed** to develop guidance to help government agencies, Crown agencies, Crown entities and Crown-owned companies to consider climate change objectives in their decision-making;

Interdepartmental Executive Board

- 13 agree to formalise the Climate Change Chief Executives Board as an Interdepartmental Executive Board under the Public Service Act 2020, with the following functions:
- 13.1 coordinate the implementation of cross-agency actions and strategies in the emissions reductions plan;
 - 13.2 advise Ministers on progress against the sector sub-targets outlined in the plan, and coordinate the implementation of the emissions reduction plan (including sector sub-targets) across portfolios;
 - 13.3 monitor and report on overall progress towards achieving the emissions reduction plan (including sector sub-targets);
 - 13.4 advise on how to respond to results of monitoring and reporting, including how to manage 'overs and unders';
 - 13.5 publish monitoring reports on plan, sub-targets, and implementation;
 - 13.6 undertake all existing functions of the Cabinet mandated Climate Change Chief Executives Board;
- 14 **agreed** that the Interdepartmental Executive Board be named the Climate Change Chief Executives Board (the Board), and that the remit of the Board include the:
- 14.1 Ministry for the Environment;
 - 14.2 Ministry of Business, Innovation and Employment;
 - 14.3 Department of Conservation;
 - 14.4 Ministry of Social Development;
 - 14.5 Ministry of Housing and Urban Development;
 - 14.6 Treasury;
 - 14.7 Ministry of Foreign Affairs and Trade;
 - 14.8 Ministry of Transport;
 - 14.9 Ministry for Primary Industries;
- 15 **noted** that the Public Service Commissioner will designate the membership of the Board from within the Board's remit, including the Chair, following consultation with Ministers;
- 16 **noted** that the Public Services Commissioner may review membership periodically;
- 17 **noted** that the members of the Interdepartmental Executive Board will be jointly responsible to the Prime Minister;

Legislative implications

- 18 **invited** the Minister for the Public Service to issue drafting instructions to the Parliamentary Counsel Office to draft an Order in Council to establish a new Interdepartmental Executive Board, named the Climate Change Chief Executives Board, with the Ministry for the Environment as its servicing department, by adding an item to Part 3 of Schedule 2 of the Public Service Act 2020 and Schedule 1B of the Ombudsmen Act 1975.

Michael Webster
Secretary of the Cabinet

Secretary's Note: This minute replaces DEV-22-MIN-0019. Cabinet deleted paragraph 10 from the DEV minute.

Proactively released under the Official Information Act 1982