

Proactive Release

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The following Cabinet paper has been proactively released by the Minister of Climate Change

Title	Reference
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Update to Aotearoa New Zealand's Approach to International Climate Change Negotiations	ENV-23-MIN-0035
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- 9(2)(j): to avoid prejudice to negotiations.

Office of the Minister of Climate Change

Chair, Cabinet Environment, Energy and Climate Committee

UPDATE TO AOTEAROA NEW ZEALAND'S APPROACH TO INTERNATIONAL CLIMATE CHANGE NEGOTIATIONS

Proposal

- 1 I propose to update the negotiation mandate that guides Aotearoa New Zealand's participation in the United Nations Climate Change Conference of the Parties (COP) and related international fora. The mandate is intended to cover a multi-year period.
- 2 Tokelau participates at COP as part of the New Zealand delegation and is included in the scope of the proposed mandate.

Relation to government priorities

- 3 New Zealand and our Pacific neighbours rely on an effective global response to climate change. The Government has agreed the importance of leadership at home and internationally in order to influence this global response [CAB-18-MIN-0218 refers].

Executive Summary

- 4 This paper seeks an updated mandate to guide New Zealand's engagement in international climate change negotiations. The proposed mandate reflects the increasing global drive for action this decade to limit temperature rise to 1.5 degrees. It reflects New Zealand's agreed priorities:
 - 4.1 lifting global ambition;
 - 4.2 Pacific resilience and an empowered Pacific transition; and
 - 4.3 supporting New Zealand's domestic transition.
- 5 In addition to New Zealand's climate change objectives, the mandate reflects broader Government priorities including the Treaty of Waitangi, the relationship with Tokelau, recognition of human rights and the role of biodiversity.
- 6 I propose that New Zealand builds on its experience in areas such as: sustainable agriculture; emissions pricing and financial disclosures; and international cooperation on mitigation in its approach to international climate change negotiations.
- 7 The mandate recognises our whanaungatanga with Pacific countries, which are among the most vulnerable to the impacts of climate change. It positions New Zealand with other progressive developed and developing countries. It also is consistent with the Cabinet-agreed approach taken in Aotearoa New Zealand's International Climate Finance Strategy [CAB-22-MIN-0327].

Background

- 8 New Zealand's engagement in international climate negotiations is guided by a negotiating mandate agreed by Cabinet. The mandate applies to participation in the UNFCCC COP negotiations. It also informs our approach to fora such as regional and international summits, (including for example the upcoming UN Climate Ambition Summit on 20 September 2023), statements, initiatives and climate matters in international shipping and aviation.
- 9 The mandate was last significantly updated in 2019. The previous mandate was focused on finalising the rules of the Paris Agreement and the beginning of its implementation. The world now needs to focus on addressing the gaps in ambition and in implementation.
- 10 In April 2023 Cabinet agreed to launch a public consultation to inform an updated mandate. This acknowledged the need for an updated New Zealand approach to our participation at COP, as the global context and the role of the COPs themselves has moved on significantly since 2019 [ENV-23-MIN-0010]. In particular:
 - 10.1 The urgency of a global course correction to rapidly reduce emissions has increased, with the world off track to achieve the goals of the Paris Agreement¹, including limiting warming to 1.5 degrees. To meet those goals, global emissions need to peak in 2025 and almost halve by 2030. The best available science now shows that the impacts of climate change are worse at lower temperatures than previously estimated;
 - 10.2 There are now feasible, effective, and low-cost options for mitigation and adaptation available.
 - 10.3 The principal focus of the climate change COPs has shifted from negotiating rules to addressing the gaps in ambition and implementation, in order to achieve the Paris Agreement goals; and
 - 10.4 The role of the climate change COPs has also evolved. There is an increasing focus on action outside the core inter-governmental process; such as business, indigenous and community initiatives; showcasing new technology and building momentum for innovative action.
- 11 New Zealand works with progressive countries that are working to drive increased global action. These include: Pacific Island countries; the Alliance of Small Island States; Least Developed Countries; Independent Association of Latin America and the Caribbean; European Union; Environmental Integrity Group (including Switzerland and South Korea); and members of the Umbrella Group (which New Zealand is part of, and includes the United States, United Kingdom, and Australia).
- 12 Some major emitters (including China, India, Saudi Arabia and South Africa, appear to be resisting ambitious outcomes that would lead to limiting warming to 1.5 degrees

¹ Article 2. 1 of the Paris Agreement sets out the 3 goals: paraphrased, these are a) limiting temperature rise to 1.5 degrees, b) fostering climate resilience, and c) making finance flows consistent with a pathway towards low emissions and climate-resilient development.

(with some of these countries challenging the fundamental scientific basis of the global climate response).

- 13 Achieving New Zealand's goals will require active participation in negotiated outcomes (some legally binding, some political); coalescing international political pressure; working to influence Parties and non-Party stakeholders; and building / joining coalitions of the willing and coalitions of the ambitious.
- 14 This negotiation mandate is intended to cover a multi-year period. Further specific decisions related to the mandate of this paper are likely to be required in line with significant milestones².
- 15 Key themes from the public consultation are reflected in Annex A. Feedback received has informed my proposals in the paper.³

Please note that this annex was not included as part of the final paper. Instead themes from the public consultation were referenced throughout the paper.

Analysis

- 16 The analysis in this paper is set out under six headings:
 - 16.1 New Zealand's objectives and priorities
 - 16.2 Global ambition and the goals of the Paris Agreement
 - 16.3 New Zealand-specific considerations
 - 16.4 Guidance on specific negotiating items / thematic areas
 - 16.5 Who New Zealand works with, and how
 - 16.6 Powers to act
- 17 The mandate is set out in recommendations 4 to 49. It is made up of a mixture of new proposals and reconfirmation of existing elements. The mandate is intended to set a clear direction of travel, informed by our values and interests, to guide our engagement on climate change on the world stage. It will also provide appropriate flexibility and oversight to respond to changes in circumstances.

New Zealand's objectives and priorities

International climate change

- 18 New Zealand's existing overarching objectives for international engagement on climate change as previously agreed by Ministers are:
 - 18.1 Lifting global ambition;

² e.g. decisions on a New Collective Quantified Goal on Climate Finance (2024); decisions on New Zealand's second Nationally Determined Contribution (NDC – i.e. international emissions reduction target for 2030-35) and next climate finance commitment (2025); and Australia has bid to host COP31 in 2026, in partnership with the Pacific.

³ Responses reflecting climate sceptic views did not address the separate questions in the consultation and are not separately reflected against each specific area below. These submitters did not support New Zealand's participation in COP.

- 18.2 Pacific resilience and an empowered Pacific transition; and
- 18.3 Supporting New Zealand's domestic transition.
- 19 I propose that these remain the overarching objectives of the updated mandate to guide New Zealand's on-going engagement. {Recommendation 4 refers}.

Te Tiriti/Treaty of Waitangi

- 20 Te Tiriti/Treaty partnership with Māori is important for our international engagement on climate change. New Zealand currently approaches the development of our climate change negotiation mandates with a view to seeking outcomes that respect and maintain the unique Māori-Crown relationship. {Recommendation 5 refers}.
- 21 A hui was held to engage with Māori on the mandate update on 1 May 2023. Attendance was small, and most were new to the process, but this contributed to a rich exchange. Officials did not receive any submissions from iwi affiliated organisations during the consultation period, despite attempts to engage early with ^{s9(2)(ba)(i)}
 - 21.1 NICF have been involved in international climate change issues and most recently attended COP27 as part of the New Zealand delegation.
 - 21.2 Input was sought from ^{s9(2)(ba)(i)} but no submissions were received from either despite expressed interest.
 - 21.3 Officials were scheduled to present to MFAT's Māori partnership group Te Hurumanu, however the scheduled meeting was postponed due to a lack of quorum.
- 22 Officials consider that due to competing domestic climate work streams (including the Cyclone Gabrielle recovery), engagement in the mandate update was likely not able to be prioritised by Māori.
- 23 Many submitters on this topic supported the continuation of the current overall approach. Other specific feedback included acknowledging the importance of te ao Māori and acting in accordance with values such as kaitiakitanga, whanaungatanga, and manaakitanga. Submitters suggested including and supporting independent, self-selected representatives of hapū and iwi on the delegation.
- 24 It was noted that Māori should be included in decision-making, and that they should be provided with the ability to participate in negotiations without imposing the conditions included in the Cabinet Procedures on participation of non-officials⁴. The importance of active engagement was emphasised by submitters, including early and continued engagement with iwi and hapū, and the National Iwi Chairs Forum.
- 25 Submitters acknowledged the importance of indigenous knowledge and mātauranga Māori in consideration of climate change, and the connection with the conservation and protection of biodiversity.

⁴ Cabinet Procedures for Including Non-Official Representatives on Official Delegations to International Meetings (CO (00)14, 2000)

- 26 Some elements of the submitter feedback are already in place. Some of the feedback raises constitutional considerations beyond this mandate process (including relating to the Executive Government's foreign affairs prerogative) and others been implemented in part already including regular representation and participation on the delegation by Māori.
- 27 Given the importance of partnership with Māori in this area, I propose to direct officials to consider ways to enhance engagement with Māori on international climate change issues, and report back to the Minister of Climate Change. {Recommendation 47 refers}.

Relationship with Tokelau

- 28 Officials work closely with Tokelau at COPs and Tokelau is part of the official New Zealand delegation. ^{s9(2)(ba)(i)} Officials will continue to engage with Tokelau on how their views and interests can be reflected as we operationalise work under the updated mandate ahead of COP28. {Recommendation 6 refers}.

Pacific whanaungatanga

- 29 Climate change is the single greatest existential threat to the Pacific. Strengthening Pacific resilience and supporting an empowered Pacific transition are critical objectives for New Zealand. The Pacific is also our strongest ally on the need for urgent global climate action.
- 30 New Zealand has as an agreed policy priority that we will amplify Pacific voices in climate change negotiations. We should continue to do so. I propose New Zealand build on this established direction by: affirming whanaungatanga with Pacific countries; and advocating for outcomes that are accessible and responsive to the needs and interests of the Pacific. {Recommendation 7-10 refers}.
- 31 I have considered the views of submitters in forming these recommendations. Many submitters underscored New Zealand's whanaungatanga relationship with Pacific countries, the extreme vulnerability of the Pacific to climate impacts, and the importance of New Zealand standing with the Pacific on climate ambition.
- 32 Feedback from submitters focused on amplifying the Pacific's voice and positions at COP, and providing financial and technical support to enable the Pacific's effective participation. Many submitters called for New Zealand to join the Port Vila Call, referred to above. A number of submitters also suggested focusing on the oceans-climate nexus and marine biodiversity.

This is now referred below in paragraph 48.

Global ambition and the goals of the Paris Agreement

- 33 Without an urgent, global course correction, Parties will not limit global warming to 1.5 degrees (or deliver on the other goals of the Paris Agreement).
- 34 The science, as assessed by the Intergovernmental Panel on Climate Change, is unequivocal: the window to secure a liveable and sustainable future for all is rapidly closing; every increment of a degree of temperature rise (and correspondingly every

tonne of greenhouse gas emissions) matters; and there are feasible, effective, and low-cost options for mitigation and adaptation available.

- 35 Global warming is currently below 1.5 degrees, and yet: for Pacific countries, climate impacts are already an existential threat; and New Zealand is experiencing increasingly severe climate impacts.
- 36 We are at a once in five year point in the Paris Agreement architecture, to secure a global course correction through the 'Global Stocktake' of progress in implementing the Agreement. It is New Zealand's national interest to advocate for the highest ambition outcomes across the three goals of the Paris Agreement.
- 37 The science shows that to limit warming to 1.5 degrees, global emissions must peak by 2025 and must decrease by 43 percent by 2030. Emissions from existing fossil fuel infrastructure will exceed the carbon budget for 1.5 degrees, unless action is taken immediately.
- 38 In my view a global course correction must secure: political pressure for increased action pre-2030; ambitious and 1.5 degree aligned Nationally Determined Contributions (NDCs – i.e. emissions reduction targets) covering all sectors and gases; commitments to phase-out^{s9(2)(j)} fossil fuels and fossil fuel subsidies; ambitious targets for renewable energy; and pressure on major emitters (including major developing countries).
- 39 I propose we reaffirm, in this mandate, that New Zealand will constructively seek outcomes that deliver on all three goals of the Paris Agreement. {Recommendation 11 refers}.

Goal 1: Limiting warming to 1.5 degrees

- 40 I propose that New Zealand:
- 40.1 assert the importance of limiting warming to 1.5 degrees with limited or no overshoot; and
 - 40.2 advocate for urgent action as set out by the Intergovernmental Panel on Climate Change. {Recommendation 12 refers}.
- 41 At the same time that New Zealand and others are pushing for an effective global response, some actors are attempting to undermine the scientific basis for this response and the role of the Intergovernmental Panel on Climate Change. Science is the cornerstone of New Zealand's climate change response, and I have proposed specific principles to reflect the need for a science-led global response. {Recommendation 13 refers}.
- 42 **Nationally Determined Contributions:** New Zealand's climate change and trade interests are served by all countries having NDCs that are consistent with 1.5 degrees, which cover the greatest volume of emissions possible. The Paris Agreement encourages developing countries to move towards economy-wide NDCs – and we should advocate for this expansion. {Recommendation 14 refers}.

- 43 **Fossil fuel phase out:** At COP26 countries agreed to a common call to ‘accelerat[e] the phasedown of unabated coal’. COP27 narrowly failed to expand this to all fossil fuels. There is mounting pressure for an outcome on fossil fuel at COP28. There is a spectrum of positions emerging, falling into three main camps:
- 43.1 All fossil fuels should be phased out (led by some Pacific countries).
 - 43.2 Unabated fossil fuels should be phased out (led by the G7 and EU) - i.e. fossil fuels, with carbon capture and storage, can remain.
 - 43.3 A minimal ambition position, that fossil fuels with carbon capture and storage, is as good as a transition to renewable energy ^{s6(a)} i.e. expansion of fossil fuels can continue.
- 44 The science shows:
- 44.1 Estimates of future CO2 emissions from existing fossil fuel infrastructures already exceed pathways limiting warming to 1.5 degrees.
 - 44.2 Reducing greenhouse gas (GHG) emissions across the full energy sector requires major transitions, including: a substantial reduction in overall fossil fuel use; the deployment of low-emission energy sources; switching to alternative energy; and energy efficiency and conservation.
- 45 It is in New Zealand’s interest to ensure:
- 45.1 Emissions reductions from fossil fuels are, as much as possible, certain (i.e. from the non-use / phase-out of fossil fuels). It is risky to rely on the costly and uncertain uptake of removals/abatement.
 - 45.2 Action occurs now, in line with IPCC pathways for 1.5 degrees. We will not achieve the global -43% reduction in GHG emissions needed by 2030 through expansion of fossil fuel extraction.
 - 45.3 Global action occurs where there is the greatest ‘bang for our buck’. The IPCC shows that wind and solar energy can deliver an order of magnitude more emissions reductions by 2030, considerably cheaper than carbon capture and storage. Energy efficiency, carbon sequestration in agriculture, and reduced conversion of forests and other ecosystems, all have considerably greater potential at lower costs than carbon capture and storage.
 - 45.4 A strong global signal that continued expansion in fossil fuels is contrary to two of the three goals of the Paris Agreement (limiting warming to 1.5 degrees and making financial flows consistent with low emissions development).
 - 45.5 New Zealand is shoulder to shoulder with progressive countries, and civil society, to counter-balance ^{s6(a)}
 - 45.6 New Zealand can use technologies to reduce emissions and remove emissions from the atmosphere, in support of our own transition.

In short, ‘unabated’ fossil fuels and reliance on future carbon capture and storage, is a dangerous distraction. New Zealand, the Pacific, and limiting warming to 1.5 degrees, requires global emissions reductions now.

- 46 I propose that New Zealand advocates for the global phase-out of fossil fuels {Recommendation 15 refers}. Note that this position:

- 46.1 Retains New Zealand’s ability to plan its own low emissions transition, and use technology to reduce emissions.

For example the Government has committed to several actions under the Emissions Reduction Plan which are under development. These include the: Gas Transition Plan; Hydrogen Roadmap; Energy Strategy; and process to investigate the need for Electricity Market Measures to support the transition to a highly renewable electricity system. These processes will consider the pace and options for New Zealand’s further phase out of fossil fuels, and what technology options we might require to support our domestic phase out.

- 46.2 Does not impact on New Zealand’s ability (elaborated in ‘Developing a Carbon Removals Strategy’ Cabinet Paper) to use emissions removals⁵ (such as forestry and direct air capture) as a complement to economy-wide efforts to reduce emissions.

- 47 To ensure clarity, globally, I propose New Zealand supports differentiating the distinct role of removals (e.g. forestry or direct air capture) in removing CO₂ from the atmosphere; from carbon capture utilisation and storage. {Recommendation 16 refers}.

- 48 In our region, the phase-out of fossil fuels is already being discussed amongst Pacific countries and has been raised with the Prime Minister. A group of Pacific countries^[1] is advocating for the Pacific to spearhead a global just and equitable phase out of fossil fuels under the “Port Vila Call for a Just Transition to a Fossil Fuel Free Pacific”. The Call’s vision for a just transition to a fossil fuel free Pacific is consistent with the direction of New Zealand’s own domestic policy. Regional Energy Ministers in May recommended Pacific Islands Forum Leaders consider endorsing the Call, acknowledging that ‘fossil fuel phase out is not immediate or one-size fits all, and must be implemented in a nationally determined way’.

- 49 s6(a), s6(b)(i)

⁵ i.e. activities that use biological or engineered chemical or geochemical methods to draw CO₂ from the air or oceans and store it long term.

^{[1][1]} Fiji, Niue, Solomon Islands, Tonga, Tuvalu and Vanuatu

- 50 I propose that consistent with our proposed position advocating for global phase out of fossil fuels, New Zealand, while not endorsing the full Call, similarly support the aspiration in the Call for a just transition to a fossil fuel free Pacific. I note that while the final few percentage points of fossil fuel use may be difficult to phase out as we near 2050, a 'fossil fuel free' aspiration sets a clear direction of travel and is an important signal. {Recommendation 17 refers}.
- 51 Specific calls or commitments would require further consideration and be taken consistent with the Powers to Act set out in this mandate.
- 52 In developing these recommendations on mitigation I have considered the feedback from submitters. Strong themes included the need for New Zealand to act, to be able to advocate strongly, to have our own house in order, and to build partnerships and collaboration to deliver on our objectives.
- 53 Other strong themes included the need to support and work with other countries, and to consider equity in our response. Taking action in specific areas such as fossil fuel phase out, elimination of fossil fuel subsidies, and the agricultural sector, were also raised.

Goal 2: Fostering climate resilience

- 54 Increasing the ability of countries and communities to adapt to the impacts of climate change, by strengthening resilience and reducing vulnerability is one of the three goals of the Paris Agreement.
- 55 One of the issues under discussion in the COP is how to further elaborate the global goal on adaptation (GGA) - for example, how will Parties know that the world has built resilience to climate impacts? It is complex to negotiate a global goal when adaptation needs and responses are highly localised and hard to quantify.
- 56 I propose that New Zealand seek adaptation outcomes that actively encourage nationally determined, flexible and locally-relevant ways for countries to contribute to the global goal on adaptation in their national and local contexts. We should encourage the use of risk assessment and adaptation planning, with a focus on supporting the most vulnerable and Pacific adaptation priorities. {Recommendation 18 refers}.

Goal 3: Making financial flows consistent with low emissions and climate resilient development

- 57 Aligning all financial flows with climate resilient pathways and low emissions development is one of the three goals of the Paris Agreement - and will be critical to achieving the temperature and resilience goals. Investment into renewable energy is beginning to extend its lead over investment into fossil fuels. However mobilising the trillions of dollars required to achieve the global course correction needed requires more action. There remain dangerously high levels of fossil fuel subsidies despite commitments to subsidy reform.
- 58 Similarly around US\$500 billion is spent each year on environmentally harmful agricultural subsidies. One of New Zealand's key international priorities is advocating

to repurpose harmful agricultural subsidies into more productive, climate resilient, and low emission food systems, including through the Global Research Alliance on Agricultural Greenhouse Gases.

- 59 New Zealand should continue to advocate for alignment of all financial flows with climate objectives, including public and private; domestic and international. I propose that New Zealand should build on our experience: our world-first climate disclosure regime; our long-standing advocacy on fossil fuel subsidy reform; our long experience in emissions pricing; and frontrunner role regarding climate in trade policy instruments.
- 60 New Zealand should advocate for recognition of the importance of putting a price on carbon and successfully realising Multilateral Development Bank reform. {Recommendation 19 refers}.
- 61 Climate finance from New Zealand to developing countries is an obligation under the Paris Agreement. In 2009, developed countries committed to the goal of mobilising USD 100 billion per annum for developing countries between 2020 and 2025. The failure to meet this goal so far has caused discontent between Parties. Negotiations for a new collective quantified goal on climate finance are under way. In 2025, this will replace and build upon the USD \$100 billion goal.
- 62 I propose that New Zealand will advocate for climate finance to: be contributed to by all Parties in a position to do so; include both public and private finance; and that financial contributions to the new collective quantified goal are nationally determined. At COP27 Parties agreed to establish a fund and funding arrangements for addressing loss and damage from climate change impacts.
- 63 Supporting the Pacific on loss and damage finance, and ensuring that COP28 delivers on the commitment to operationalise the fund and funding arrangements, is a priority for New Zealand. The negative impacts of climate change are already acute in the Pacific and our partners in the region have been leading the call to address funding gaps for loss and damage.
- 64 At COP27 New Zealand pledged \$20 million from our 2022-2025 climate finance commitment for loss and damage, which is now being programmed. Officials are preparing advice on the next climate finance strategy for the period from 2025.

New Zealand-specific considerations

Indigenous Peoples

- 65 Indigenous Peoples are disproportionately impacted by climate change risks, but can play a leadership role in climate solutions. In Aotearoa New Zealand, Māori are among the first to be directly affected by climate change owing to their deep connection with te taiao (nature), whenua (land) and its resources. New Zealand's Emissions Reduction Plan commits the government to embedding Te Tiriti o Waitangi/Treaty of Waitangi across the whole of government.
- 66 Advocating for the rights of Indigenous Peoples in multilateral contexts is a priority for Aotearoa New Zealand. Indigenous Peoples have diverse knowledge and values

that can contribute to addressing climate change. Countries should support the participation of Indigenous Peoples in international and national climate policymaking.

- 67 I propose to reflect this by adding a new objective to the mandate, which agrees that New Zealand will advocate for outcomes that acknowledge the importance of indigenous rights, knowledge and values in addressing climate change. This would align with our domestic policies and put us in good company with partners such as Canada. {Recommendation 20 refers}.

Agriculture

- 68 The agriculture sector makes up 50% of New Zealand's emissions, 10% of our GDP, and over 65% of our export revenue. New Zealand is unusual among developed countries in the proportion of our emissions from agriculture. Agriculture is, however, a significant proportion of global emissions which will grow as other countries decarbonise their energy and industry sectors. Agriculture is also particularly vulnerable to the impacts of climate change and must rapidly adapt to climate resilient production to deliver global food security.
- 69 New Zealand has unique experience it can bring to this global issue, given our domestic profile, investment, and international relationships – doing this can contribute to accelerated global change. New Zealand also faces an urgent need to ensure our sector reduces emissions and becomes climate resilient – building global momentum can contribute to our transition.
- 70 I propose that New Zealand seek increased global action on both mitigation and adaptation for the agriculture sector to support a 1.5 degree pathway and food security for all, while ensuring the continued success of New Zealand's agriculture producers in an emissions conscious and climate impacted world.
- 71 A significant number of submitters raised agricultural issues, with primary sector submitters calling for NZ engagement at COP to actively support New Zealand's transition to lower emissions, sustainable agriculture production. We received a high number of submissions from the Groundswell movement calling for New Zealand to advocate for GWP* measurement of methane emissions. Conversely, environmental NGO submissions called for faster action on agriculture emissions and many called for biogenic methane not to have 'special treatment'.
- 72 In developing these recommendations I have considered these submissions. Metrics are not slated for discussion within the UN Climate Change process until 2027 – as such guidance on metrics in this mandate is premature. {Recommendation 21-22 refers}.

Biodiversity and Nature-Based Solutions

- 73 The climate and biodiversity crises are inextricably linked. New Zealand's Emissions Reduction Plan sets out how we will work to protect, enhance and restore nature in our domestic climate response. Aligning global efforts on climate change and biodiversity promotes stronger action in both areas, and means we will design our responses to the climate crisis in ways that protect, enhance and restore nature.

- 74 Global efforts on climate change and biodiversity operate under separate multilateral Conventions that both emerged from the 1992 Rio Earth Summit – the UNFCCC and the UN Convention on Biological Diversity (CBD) – with increasing recognition of the need to see stronger interlinkages and coherence between the two conventions.
- 75 Recognising the synergies between climate change and biodiversity, countries at the 2022 CBD COP-15 agreed to seek to increase the resilience of biodiversity to climate change impacts, as well as to minimise negative, and foster positive, impacts of climate action on biodiversity, in the *Kunming-Montreal Global Biodiversity Framework*.
- 76 I propose that additional cross-cutting guidance be added to the mandate to reflect this, and that New Zealand advocate for climate action that foster positive, and avoids negative, impacts on biodiversity. I propose that New Zealand advocate for the global uptake of nature-positive actions, and recognise the leadership of Indigenous Peoples as kaitiaki of biodiversity, in the implementation of nature-based solutions. {Recommendations 23-24 refers}.
- 77 I have considered submitters' views, which underscored the importance of biodiversity in our approach to global climate ambition. Themes in submitters' responses on biodiversity included supporting recognition of te ao Māori and of the leadership of Indigenous Peoples as kaitiaki of biodiversity, and the importance of protecting native ecosystems.

Human rights

- 78 New Zealand supports human rights across all its engagements and is guided by the International Human Rights Action Plan. Climate change poses an immediate and specific threat to universal human rights, and climate change response measures can have both direct and indirect adverse impacts.
- 79 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. While there are no specific negotiations on human rights at COPs, they are a cross-cutting issue that should be mainstreamed into the global climate response.
- 80 I have considered submitters' views relating to human rights in the development of my recommendations. Most submissions supported New Zealand advocating for human rights in the context of climate change, including by supporting the Pacific, engaging on climate change in other multilateral fora, and ensuring coherence with areas such as climate finance and climate mobility.
- 81 Specific rights, such as the right to food and water and the rights of Indigenous Peoples, were also highlighted. Submitters also raised the need for meaningful inclusion of persons with disabilities in the UN Climate Change process, including by supporting and funding their participation on the New Zealand's delegation. A small number of submitters said New Zealand should not advocate for human rights due to its poor record domestically.

- 82 I propose that New Zealand advocate for climate action that supports human rights, consistent with the Government's broader position on human rights.
{Recommendation 25 refers}.

International cooperation on mitigation

- 83 International cooperation to reduce emissions can allow for significantly increased global action and ambition. To deliver on this, New Zealand requires an international system that has environmental integrity, and is robust and transparent.
- 84 To meet New Zealand's NDC, Cabinet has agreed that New Zealand will cooperate internationally to access offshore mitigation, to complement domestic action [CAB-21-MIN-0435 refers].
- 85 Within the UN Climate Change process, I propose that New Zealand seek to ensure that market and non-market cooperation has environmental integrity and contributes to the closing the ambition gap and limiting global warming to 1.5 degrees.
{Recommendation 26 refers}.

The nature of the Paris Agreement and future of the Kyoto Protocol

- 86 The Paris Agreement is the principal treaty through which climate action is currently mobilised. It builds on the United Nations Framework Convention on Climate Change, the original UN climate action agreement. The intervening Kyoto Protocol established emissions reduction targets for most developed countries for the periods 2008-2012 and 2013-2020.
- 87 Most climate action now occurs in response to the Paris Agreement rather than the earlier agreements. However, UN Climate Change negotiations cover all three.
- 88 This creates a complex, and somewhat overlapping space. I propose the following principles that will direct negotiators, to ensure an environmentally effective and efficient regime, and retain focus on the implementation of the Paris Agreement:
{Recommendation 27-29 refers}
- 88.1 To resist developments in the implementation of the Paris Agreement that would undermine its applicability to all, or its principles of environmental integrity, progressive ambition, and continuous improvement in transparency;
- 88.2 To seek effective and efficient outcomes;
- 88.3 To seek decisions that are consistent with the spirit of the Paris Agreement and associated decisions and
- 88.4 To rationalise outdated Kyoto Protocol institutions and processes that do not serve a function under the Paris Agreement

Guidance on specific negotiating items / thematic areas

- 89 Within UN Climate Change negotiations there are a broad range of specific negotiating items and thematic areas. For brevity, Annex B contains the substantive descriptions of these issues, the proposed mandate, and its rationale. I summarise the direction of travel on each of these items, below.
- 89.1 *Climate finance for developing countries* – when negotiating the New Collective Quantified Goal on climate finance, New Zealand will advocate for this to: be collective; be contributed to by all Parties in a position to do so; include both public and private finance; and for contributions to be nationally determined. {Recommendation 30 refers}.
- 89.2 *Forestry* – New Zealand will seek increased global ambition, action and collaboration on sustainable forestry management, including to address deforestation and forest degradation. {Recommendation 31-32 refers}.
- 89.3 *Gender* – New Zealand will support outcomes that promote equal rights, equity, and gender-responsive climate action. {Recommendation 33 refers}.
- 89.4 *Impacts of climate change response measures (i.e. where taking action to reduce emissions in one country has a flow on negative impact in another)*. – Parties should work together to minimise risks of negative impacts and maximise positive impacts from the transition. These impacts, however, should not be used as an excuse for inaction, and the negative impacts of the status quo (i.e. climate change) should be recognised. {Recommendation 34-35 refers}.
- 89.5 *Indigenous Peoples and local communities* – New Zealand will advocate for Indigenous Peoples to have access to the Local Communities and Indigenous Peoples Platform regardless of their country's involvement in the Platform {Recommendation 36 refers}.
- 89.6 *Just transition* – New Zealand will advocate for a work programme on just transition that is an enabler for ambition while leaving no one behind. {Recommendation 37-38 refers}.
- 89.7 *Loss and damage* – New Zealand seeks outcomes on addressing loss and damage from climate change for vulnerable developing countries (including funding arrangements). Loss and damage includes, for example, the impacts of sea level rise on communities, and non-economic losses. Arrangements should be fit for purpose, accessible and responsive to the needs of the Pacific. {Recommendation 39 refers}.
- 89.8 *Oceans* – New Zealand will seek outcomes that complement and amplify action on oceans-based climate action and which are mutually reinforcing with other multilateral and regional processes. {Recommendation 40 refers}.
- 89.9 *Technology transfer for developing countries* – New Zealand will seek outcomes that focus on promoting and enhancing the development and

transfer of environmentally sound technologies to developing countries. {Recommendation 41 refers}.

- 89.10 *Transparency and accountability* – New Zealand will seek outcomes that increase the transparency of, and accountability for climate action, including through effective reporting and review processes. {Recommendation 42 refers}.

Who New Zealand works with, and how

Partners, and how we engage

- 90 Pacific countries are our close allies on the need for urgent global climate action based on the best available science. As a region, Pacific Islands Forum Leaders agreed in the 2050 Strategy for the Blue Pacific Continent that the Pacific would seek to continue to play a leadership role in global climate action. Implementation plans for the 2050 Strategy are being developed for consideration by Leaders in November ahead of COP28.
- 91 I propose that New Zealand place a high priority on working with Pacific partners to deliver on this commitment to global leadership as we engage at COP.
- 92 The ‘Umbrella Group’ of countries that New Zealand is part of for the purposes of COP, does not develop agreed positions or negotiate as a bloc. New Zealand and other high ambition developed countries ^{(s6(a))}) therefore get less ‘air time’ in the negotiations than some major emitter developing countries who belong to sometimes more than three groups speaking on the same issue.
- 93 I propose that New Zealand align and partner with high ambition countries and groups, including both developing and developed countries. {Recommendation 43 refers}.

Representation at COP

- 94 One of the questions that engaged the public in consultation, was on **New Zealand's representation at COP**. The majority of submitters were in favour of an increased New Zealand presence, particularly for civil society. In order of popularity, groups submitters asked to increase representation of on New Zealand's delegation at COP were: civil society in general, iwi Māori, NGO's, Ministers, Pasifika, the Prime Minister, scientists and businesses.

Youth

- 95 While there are no specific negotiations in the UN Climate Change process on youth, themes such as intergenerational equity, climate education, and youth participation are increasingly raised in international climate change contexts.
- 96 Submitters highlighted a need for increased engagement with youth when forming policy positions, and for their inclusion on the New Zealand delegation⁶.

⁶ New Zealand has included youth on its delegation to COP in the past, but it is not a standard practice.

- 97 I propose that New Zealand continue to support climate education, intergenerational equity and recognition of the rights of and impacts on young people in the context of climate change. In the lead up to COP and in policy development the Government should continue to seek out and hear the views of New Zealand youth as key stakeholders.

Initiatives

- 98 Reflecting the changing nature of COPs, an increasing amount of work is being done by “coalitions of the willing” outside the formal negotiation space. New and ongoing **initiatives**, such as the Global Methane Pledge, the Beyond Oil and Gas Alliance, and Friends of Fossil Fuel Subsidy Reform are now a key part of the broader COP outcomes.
- 99 Most submitters reflected that New Zealand is generally part of the right initiatives. However, some were concerned that New Zealand was not on track to meet the ongoing requirements of these initiatives.
- 100 I will continue the current practice of prioritising and joining initiatives by considering the benefit of each specific initiative in comparison to resourcing requirements and domestic policy implications.

Powers to act

- 101 The final section of the proposed mandate describes powers to act. These are standard, and carried across directly from the previous mandate. Within the bounds of Cabinet guidance I, and, where appropriate, relevant portfolio Ministers have power to act. Outside the bounds of Cabinet guidance, it is preferred that final decisions be taken by Cabinet or, due to the fast-moving nature of developments, a specified subset of Ministers. {Recommendation 44-48 refers}.

Cost-of-living Implications

- 102 Nil.

Legislative Implications

- 103 Nil.

Impact Analysis

- 104 Regulatory Impact Statement or Climate Impact of Policy Assessment requirements do not apply.

Population Implications

- 105 Nil.

Human Rights

- 106 The proposal in this paper is consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.
- 107 The proposal recommends New Zealand should advocate for Parties, when taking action to address climate change, to uphold their international human rights obligations, and protect and promote universal human rights, including but not limited to the rights of women and girls in all their diversity, of Indigenous Peoples, persons with disabilities, children and young people, and other marginalised identities.

Use of external Resources

- 108 Nil.

Consultation

- 109 In drafting this paper the following agencies were consulted: the Ministry for the Environment, the Ministry of Business, Innovation and Employment, the Ministry of Primary Industries, Treasury and the Department of Conservation. The Department of the Prime Minister and Cabinet were informed.
- 110 The recommendations in the paper are informed by feedback received during public consultation. The Ministry of Foreign Affairs and Trade received 112 individual submissions and 1,206 form submissions in the public consultation that ran from 13 April to 10 May 2023. Oral comments were received in a series of hui held with general stakeholders, youth, Māori, business, and Te Kāhui Tika Tangata Human Rights Commission.

Communications

- 111 The Ministry of Foreign Affairs and Trade will communicate the updated approach through its website, through social media and through communicating to the submitters to the public consultation.

Proactive Release

- 112 I propose to release this paper and appendices proactively, subject to redactions as appropriate under the Official Information Act 1982, on the website of the Ministry of Foreign Affairs and Trade.

Recommendations

The Minister for Climate Change recommends that the Committee:

- 1 note that New Zealand's approach to international climate change negotiations was last substantively updated in 2019; since then the need for a global course correction to achieve the goals of the Paris Agreement has become more urgent, negotiations now have a greater focus on implementation, and the role of climate change Conferences of the Parties has evolved;

- 2 note that in April 2023, Cabinet agreed to public consultation on an updated mandate to guide New Zealand's approach to international climate negotiations which ran from 13 April to 10 May [CAB-23-MIN-0137];
- 3 agree the recommendations 4 to 49 in this paper form the mandate for New Zealand's approach to COP and related international fora and replace all previous versions of the climate change negotiation mandate;

Mandate: approach to international climate change negotiations

Aotearoa New Zealand's objectives and priorities

- 4 agree that Aotearoa New Zealand's overarching objectives for engagement on international climate change are to seek effective global action; promote Pacific resilience and an empowered Pacific transition and support New Zealand's domestic transition;
- 5 agree that New Zealand will approach international climate change issues with a view to reflecting the Government's commitment to the Tiriti o Waitangi/Treaty of Waitangi partnership with Māori;
- 6 note that Tokelau participates at COP as part of the New Zealand delegation and is included in the scope this mandate, and that New Zealand works closely with Tokelau to support its meaningful participation in the UNFCCC process;
- 7 affirm the whanaungatanga of New Zealand and the Pacific, recognising that climate change is the single greatest existential threat to the peoples of the Pacific;
- 8 agree that New Zealand will advocate for outcomes that are accessible and responsive to the needs of the Pacific, and support the interests of Pacific countries, to the extent possible consistent with New Zealand's national interest;
- 9 agree that New Zealand will place a high priority on advocating for Pacific climate priorities agreed as a region through the Pacific Islands Forum implementation plan for the 2050 Strategy for the Blue Pacific Continent;
- 10 agree that the New Zealand will seek to amplify Pacific voices in international climate-related fora;

Global ambition and the goals of the Paris Agreement

- 11 affirm that New Zealand will constructively seek outcomes that deliver on the goals of the Paris Agreement – limiting global warming to 1.5 degrees, fostering climate resilience, and making financial flows consistent with low-emissions and climate resilient development;
- 12 agree that New Zealand will advocate for countries and non-state actors to align their climate action with limiting global warming to 1.5 degrees Celsius above pre-industrial levels with limited or no overshoot, and for urgent action to reduce emissions as much as possible in this decade, particularly action by major emitters,

recognising that action this decade will largely determine whether warming is limited to 1.5 degrees;

- 13 agree that New Zealand will advocate for climate action consistent with the best available science, and will support the Intergovernmental Panel on Climate Change, which sets out the best available science and represents the most robust and comprehensive assessment of climate science to date;
- 14 agree that New Zealand will promote the consistency of NDCs with 1.5 degree pathways (while mindful of equity), and expansion of coverage of NDCs to include all sectors and gases;
- 15 agree New Zealand will advocate for the global phase-out of fossil fuels;
- 16 agree New Zealand will support clarity in distinguishing between emissions removals (e.g. direct air capture), and emissions reductions (e.g. carbon capture and storage technologies)
- 17 agree New Zealand will support an aspiration for a just transition to a fossil fuel free Pacific;
- 18 agree New Zealand will seek adaptation outcomes that encourage flexible and locally relevant solutions, the use of risk assessment and adaptation planning, and outcomes that focus on the most vulnerable;
- 19 agree New Zealand will advocate for all financial flows to be aligned with low emissions and climate resilient development, reflecting that achieving this goal includes measures such as emissions pricing, the removal of environmentally harmful subsidies, climate-related disclosures, and is broader than climate finance only;

New Zealand-specific considerations

- 20 agree New Zealand's approach to climate issues internationally should acknowledge the importance of indigenous rights, knowledge and values in addressing climate change;
- 21 agree New Zealand will advocate for greater global action to reduce emissions and build resilience in the agricultural sector, including through promoting a focus on outcome and circumstance appropriate action, and increasing the focus on agriculture within Nationally Determined Contributions;
- 22 agree New Zealand will seek to drive research, development and innovation, in low emissions agriculture approaches that could be used by in support of our domestic transition, including through existing avenues such as the Global Research Alliance on Agricultural Greenhouse Gases;
- 23 agree that New Zealand will advocate for climate action that fosters positive, and avoids negative, impacts on biodiversity; consistent with the Kunming-Montreal Global Biodiversity Framework;

- 24 agree that New Zealand will advocate for the global uptake of nature-positive actions, and for recognition of the leadership of Indigenous Peoples as kaitiaki of biodiversity, in the implementation of nature-based solutions;
- 25 agree that New Zealand will advocate for Parties, when taking action to address climate change, to uphold their international human rights obligations and protect and promote universal human rights, including but not limited to the rights of women and girls in all their diversity, of Indigenous Peoples, persons with disabilities, children and young people, and other marginalised identities; and will advocate for their meaningful inclusion in the process;
- 26 agree New Zealand will seek outcomes that ensure international cooperation to reduce emissions has environmental integrity, is transparent, and contributes to limiting warming to 1.5 degrees and closing the ambition gap;
- 27 agree that New Zealand will seek outcomes that are consistent with the spirit of the Paris Agreement and associated decisions by Parties, and resist developments that undermine the Agreement's applicability to all countries or its principles of environmental integrity and progressive ambition;
- 28 agree that New Zealand will seek effective and efficient outcomes, including avoiding duplication of existing multilateral processes;
- 29 agree New Zealand will, where and when appropriate, seek to close or rationalise Kyoto Protocol institutions and processes that do not serve a function under the Paris Agreement;

Guidance on specific negotiating items / thematic areas

- 30 agree that New Zealand will advocate for the new collective quantified goal on climate finance to: be contributed to by all Parties in a position to do so; include both public and private finance; and that financial contributions to this goal are nationally determined;
- 31 agree New Zealand will seek increased global ambition, action, and collaboration on sustainable forest management, including increased cooperation to address deforestation and forest degradation;
- 32 agree New Zealand will advocate for best-practice, nationally appropriate forestry removals and nature-based solutions for mitigation and adaptation;
- 33 agree New Zealand will promote gender-responsive climate policy in implementing the Paris Agreement, and promote equity and equal rights for persons of diverse sexual orientation, gender identity and expression, and sex characteristics;
- 34 agree New Zealand will seek to minimise the negative impacts and maximise the positive benefits of climate policies, both within and between countries;
- 35 agree New Zealand will seek outcomes on the impacts of climate change response measures that are not an impediment to climate action, and that discussions of the

negative impacts of the climate response are contextualised by the negative impacts of climate change itself;

- 36 agree New Zealand will advocate for Indigenous Peoples having access to the Local Communities and Indigenous Peoples Platform regardless of their country's involvement, recognising the value of the Platform for Indigenous Peoples to exchange experience, best practice and knowledge, and build their capacity to engage in the UN Climate Change process;
- 37 agree that New Zealand will advocate for work on just transition as an enabler of climate action and to accelerate the transition to a low emissions future;
- 38 agree that New Zealand will advocate that people, communities and workers at the forefront of the global transition are not left behind;
- 39 agree that New Zealand will advocate for arrangements for addressing loss and damage in vulnerable developing countries (including the Santiago Network, and a fund and funding arrangements), that are accessible and responsive to the needs of the Pacific;
- 40 agree New Zealand will seek outcomes on oceans that complement and amplify action, and which are mutually reinforcing with other multilateral and regional processes (such as the United Nations Convention on the Law of the Sea);
- 41 agree that New Zealand will seek outcomes that promote and enhance the development and transfer of environmentally sound technologies to developing countries;
- 42 agree that New Zealand will seek to promote transparency and accountability regarding Party and stakeholder climate action, and seek to maintain and strengthen a robust and efficient transparency framework for Parties;

Who New Zealand works with, and how

- 43 agree that New Zealand align and actively partners with progressive countries and groups, including both developed and developing countries;
- 44 note New Zealand will resist outcomes that are inconsistent with this mandate;

Powers to act

Delegations within bounds of Cabinet guidance

- 45 authorise the Minister for Climate Change and, where appropriate, relevant portfolio Minister/s to take any final decisions on issues in the negotiations;

Delegations outside bounds of Cabinet guidance

- 46 note, should the negotiations move outside the bounds of existing Cabinet decisions, any final decisions with regards to New Zealand's international climate change position would, where possible, be considered by Cabinet;
- 47 note where there are fast-moving developments in the negotiations and time constraints, it may not be possible to convene Cabinet to take final decisions;
- 48 authorise, in such situations, the Prime Minister, Minister of Foreign Affairs, Minister of Finance and the Minister for Climate Change to take together any final decision on climate-related financial support for developing countries;
- 49 authorise, in such situations, the Prime Minister, the Minister of Finance, the Minister for Climate Change, and relevant portfolio Minister/s, to take together any final decisions on other issues in the negotiations;

Next steps

- 50 direct officials to consider ways to enhance engagement with Māori on international climate change issues, and report back to the Minister of Climate Change.

Authorised for lodgement

Hon James Shaw

Minister of Climate Change