

Information Supporting the Supplementary Estimates

Vote Climate Change

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Climate Change Issues (M12)

ADMINISTERING DEPARTMENT: Ministry for the Environment

MINISTER RESPONSIBLE FOR MINISTRY FOR THE ENVIRONMENT: Minister for the Environment

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2009/10				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	24,256	(3,089)	-	(3,089)	21,167
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	474,988	-	(330,517)	(330,517)	144,471
Capital Expenditure	3,500	-	(1,231)	(1,231)	2,269
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	502,744	(3,089)	(331,748)	(334,837)	167,907
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	320,865	N/A	(274,805)	(274,805)	46,060
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	320,865	N/A	(274,805)	(274,805)	46,060

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Carbon Monitoring Programme (M12)

Scope of Appropriation

Development of a national carbon accounting system that will contribute to the meeting of New Zealand's greenhouse gas reporting obligations under the Kyoto Protocol and the UNFCCC.

Reasons for Change in Appropriation

This appropriation will decrease by \$789,000 to \$8.823 million in 2009/10. This decrease is due to an expense transfer to 2010/11 for the implementation of the New Zealand Carbon Accounting System.

Policy Advice - Climate Change (M12)

Scope of Appropriation

This appropriation is limited to policy advice and implementation, operational costs and fulfilling international obligations to support the Government's commitment on Climate Change under the Kyoto Protocol; and Ministerial servicing.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	14,344	(2,000)	12,344
Revenue from Crown	14,289	(2,000)	12,289
Revenue from Other	55	-	55

Reasons for Change in Appropriation

This appropriation will decrease by \$2 million to \$12.344 million in 2009/10. This decrease is due to a fiscally neutral transfer to Vote Environment: Environmental Policy Advice to align the appropriations of each Vote to the priorities outlined in the output plans.

Policy Advice - Energy Efficiency and Conservation (M12)*Scope of Appropriation*

This appropriation is limited to policy advice on energy efficiency and conservation issues.

Reasons for Change in Appropriation

This appropriation will decrease by \$300,000 to become \$0 in 2009/10. This decrease is due to a fiscally neutral transfer to the Ministry for the Economic Development to align with the change in responsibility for policy advice on energy efficiency and conservation.

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Allocation of New Zealand Units (M12)

Scope of Appropriation

This appropriation is limited to the granting of New Zealand Units to sectors of the New Zealand Economy.

Reasons for Change in Appropriation

This appropriation will decrease by \$331,592 million to \$139,648 million in 2009/10. This change is in response to:

- policy changes that impact the timing and amount of the allocation of New Zealand Units to various eligible sectors, and
- changes in carbon price assumptions and the New Zealand dollar exchange rate.

Issue of New Zealand Assigned Amount Units to Permanent Forest Sink Initiative Participants (M12)

Scope of Appropriation

This appropriation is limited to the granting of New Zealand Assigned Amount Units to Permanent Forest Sink Initiative participants for eligible afforestation.

Reasons for Change in Appropriation

This appropriation will increase by \$1.075 million to \$4.296 million in 2009/10. This change reflects an allowance for changes in carbon price assumptions and the New Zealand dollar exchange rate.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.2 - Non-Departmental Capital Expenditure

Purchase of PRE Units (M12)

Scope of Appropriation

Purchasing of PRE emission units by the Crown from the Projects to Reduce Emissions (PRE) portfolio.
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Reasons for Change in Appropriation

This appropriation will decrease by \$1.231 million to \$2.269 million in 2009/10. This decrease is due to an expense transfer to outyear 2011/12 in relation to the Crown obligation to purchase PRE Units.