

Reference: 20160438

15 February 2017



Thank you for your Official Information Act request, received on 19 December 2016.
You requested the following:

“The Bloomberg taskforce on climate-related financial disclosure has released its report.

<https://www.fsb-tcfd.org/publications/recommendations-report/>.

Carbon News is interested in two things:

- 1. A comment on it. Is it good/useful? Should NZ companies be adopting its recommendations? Is it something that should be mandatory?*
- 2. Any work or advice etc. Treasury has done on the issue of climate-related financial disclosure.*

Happy for these to be considered separately, i.e., a comment for tomorrow would be great, and I expect it might take you a little longer to address the second inquiry.”

We provided you with our views on the Bloomberg report on climate-related financial disclosure in December. These are reprinted below for reference.

“The report provides useful information for factors that investors can consider when deciding the level of risk they are comfortable exposing themselves to. It also provides useful reporting guidelines for businesses that are considering disclosing this information.

Treasury has been involved in some initial high level discussions with government agencies about how central government could help create long term low carbon / climate resilient investment certainty. Treasury has not provided any advice on this issue.”

I am now responding to the remainder of your OIA request.

Information Being Released

Please find enclosed the following documents:

Item	Date	Document Description	Decision
1.	11 October 2016	Summary A3: discussion on low carbon/climate resilient investment	Release in part
2.	11 October 2016	Email: follow up on climate finance thinking	Release in part

I have decided to release the relevant parts of the documents listed above, subject to information being withheld under one or more of the following sections of the Official Information Act, as applicable:

- advice still under consideration, section 9(2)(f)(iv) – to maintain the current constitutional conventions protecting the confidentiality of advice tendered by Ministers and officials, and
- names and contact details of junior officials, under section 9(2)(g)(i) – to maintain the effective conduct of public affairs through the free and frank expression of opinions.

As you will see from the above documents, the issue of climate-related financial disclosures has been mentioned in passing as part of a wider Treasury-led discussion on the issue of how Government could encourage low carbon and climate resilient investment, consistent with Article 2(1)(c) of the Paris Agreement. The attached A3 shows a summary of this discussion and very much represents initial high level thinking. As the attached email states, no analysis or advice was provided to Ministers on the topic.

In making my decision, I have considered the public interest considerations in section 9(1) of the Official Information Act.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Treasury website.

This fully covers the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

Libby Masterton
Manager, Natural Resources

Information for Release

TOIA 20160438

1.	Summary A3 re discussion on low carbon	1
2.	Follow up on climate finance thinking	2

DRAFT – NOT GOVERNMENT POLICY

Encourage low carbon / climate resilient investment

Key Question: How can Central Government help create long term low carbon / climate resilient investment certainty?

Using policy and regulatory system levers

Contributing to public understanding of climate change risks, and opportunities, of low carbon / climate resilient investment

Summary A3: discussion Existing mechanisms resilient

- Emissions Trading Scheme
- International emissions purchasing
- Afforestation Grant Scheme
- Global Research Alliance
- Friends of Fossil Fuel Subsidy Reform
- Adaptation guidance
- National Infrastructure Plan
- Crown Loans for energy efficiency gains by public sector organisations

New mechanisms since signing the Paris Agreement

- Paris Agreement Ratification
- Electric Vehicles package
- Treasury focus on Natural Capital as an aspect of the Living Standards Framework
- Adaptation working group
- Agricultural emissions working group
- Forestry reference group

s9(2)(f)(iv)

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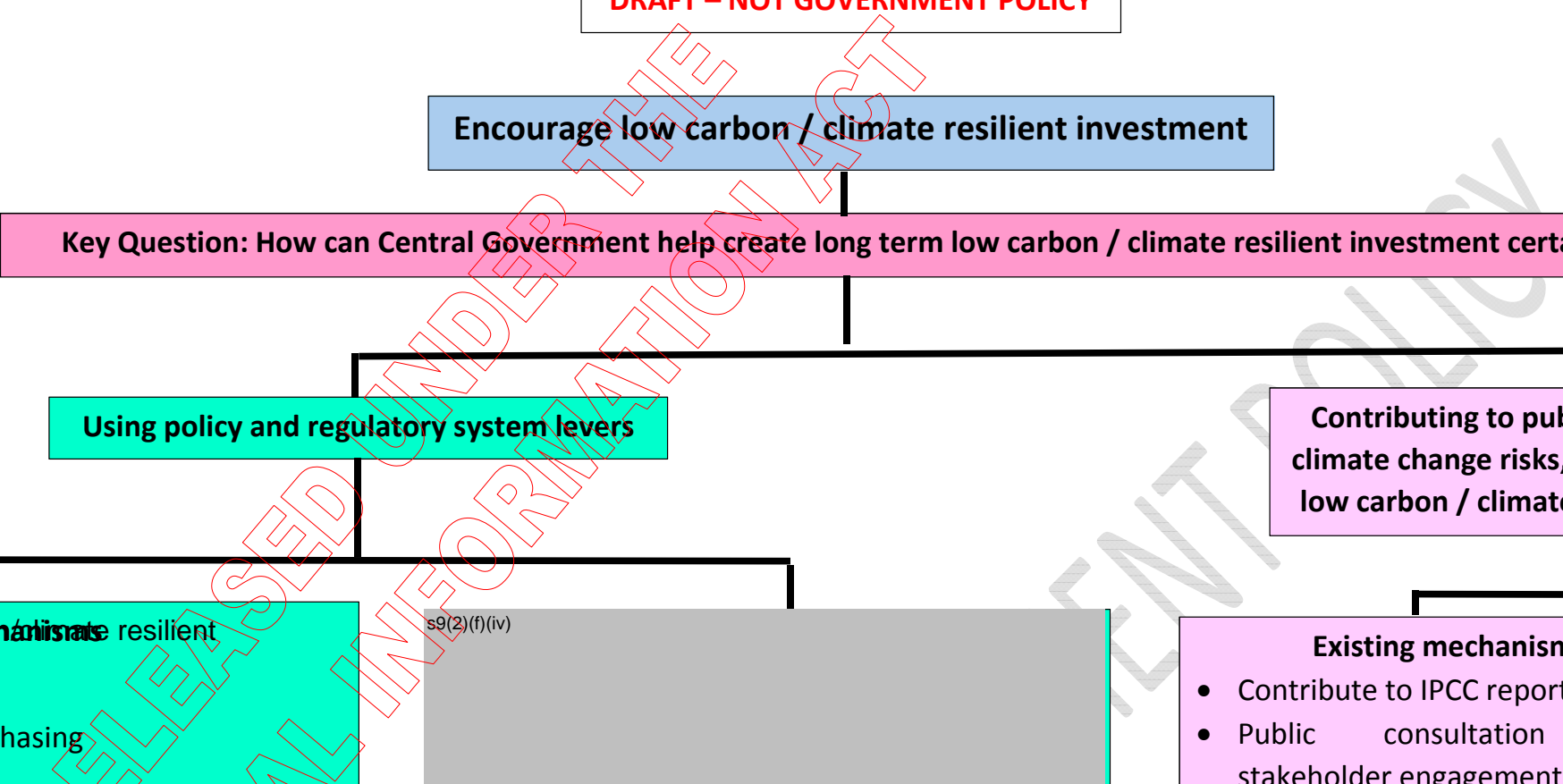
s9(2)(f)(iv)

[Redacted content]

- Existing mechanisms**
- Contribute to IPCC reports
 - Public consultation and stakeholder engagement
- New since signing the Paris Agreement**
- Addition of Natural Capital discussion in Treasury Long Term Fiscal Statement

s9(2)(f)(iv)

[Redacted content]



From: s9(2)(g)(i)
Sent: Tuesday, 11 October 2016 8:36 a.m.
To: s9(2)(g)(i)
Cc:
Subject: Climate finance thinking
Attachments: Deleted - not covered by your request

[IN-CONFIDENCE]

Hi s9(2)(g)(i)

Deleted - not covered by your request

Following on from our white boarding session on climate finance thinking the other week, I've put the attached A3 together capturing our thinking, and some additional thoughts I've had since. I've focused this on the role central government can play in helping to create long term low carbon / climate resilient investment certainty. I see there being two key roles for government here:

1. Using policy and regulatory system levers; and
2. Contributing to public understanding of climate change risks, and opportunities, of low carbon / climate resilient investment.

I've split these into existing mechanisms, mechanisms that are new since we signed the Paris Agreement, and possible future opportunities that could be considered going forward. Since quite a lot more time will need to be taken across government to consider the various pros and cons of the possible new opportunities before we could come up to Ministers for consideration, I think we have enough captured in this A3 for now, without needing to consult wider at this stage. Since the immediate delivery from this work is to capture some talking points for Minister Bennett at the COP, I think there's a fair bit in here that she could talk about, centred on the existing initiatives, and the initiatives that are new since she signed the Paris Agreement. I think there's quite a nice story she could tell in that space. Given the possible future opportunities haven't had any rigour, or wider cross-department consultation, put into them at this stage, I think it would be important the detail of these wasn't discussed at the COP, and that the Minister just made reference to the fact that we're considering possible future opportunities that could be explored in the regulatory and building public understanding space, including in gaining a greater insight from businesses and the finance sector as to what they want to see from Government in this space.

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Keen to hear your thoughts on this, and if you think there is sufficient here for our COP needs, and enough captured as a starting point for wider cross-agency discussions and consideration of next steps post-COP for taking some possible new ideas forward in future.

Thanks

s9(2)(g)(i)

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