

Reference: 20170299



21 September 2017



Thank you for your Official Information Act request, received on 24 August 2017. You requested:

*"I request all information or advice you have prepared for the Minister's Office (including draft advice) on "the Parliamentary Commissioner for the Environment's report Stepping stones to Paris and beyond: Climate change, progress, and predictability"*

### Information Being Released

Please find enclosed the following document:

Item	Date	Document Description	Decision
1.	24 July 2017	Email to Minister of Finance's office: Heads up: PCE report on climate policy governance to be released Thurs this week	Release in part

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

- staff direct telephone numbers, under section 9(2)(k) – to prevent the disclosure of official information for improper gain or improper advantage

Some information has been deleted because it is not covered by the scope of your request. This is because the documents include matters outside your specific request.

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

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

Yours sincerely

Alastair Cameron  
Acting Manager, Natural Resources

out of scope

**From:** Ben Temple [TSY] [mailto:Ben.Temple@treasury.govt.nz]  
**Sent:** Monday, 24 July 2017 7:59 p.m.  
**To:** David Kidson  
**Cc:** Grace Campbell-Macdonald [TSY]; Kate Hodgkinson [TSY]; Bryan Chapple [TSY]; David Mackay [TSY]  
**Subject:** Heads-up: PCE report on climate policy governance to be released Thurs this week

[IN-CONFIDENCE]

Hi David, as discussed, a heads-up following our catch up with the Parliamentary Commissioner for the Environment this morning.

We will receive an embargoed copy of their upcoming report ('Stepping Stones to Paris and Beyond') 24 hours before a **Thursday 1pm public launch**.

We will share this and any briefing material prepared by MfE as soon as it is available, but let us know if MoF wants anything specific from us. We are not yet sure what Hon Bennett's office is planning regarding comms.

This report follows a trip to the UK by the PCE to understand their arrangements (an independent climate policy commission that provides expert advice about setting and meeting emission reduction targets).

Key messages from PCE:

- Climate change is intergenerational and NZ's response also needs to be
- Business wants policy predictability
- It makes sense to take the easy/cheap options early and offset others.
- There is some Govt action: working groups on adaptation, forestry, biological emissions; a Productivity Commission inquiry; [GLOBE MPs commissioning analysis](#) into options for NZ.
- It is worth starting action early to reduce emissions, beginning with clearer accountabilities and a signalled process for future policy.

Conclusions/recs appear to cover 5 broad areas:

1. Emission reduction targets should be enshrined in legislation
2. Carbon budgets should also be legislated and reported against
  - This report will come out one day after an ETS announcement, which addresses similar issues to what this rec is trying to confront: a current lack of connection between NZ's 2030 target and domestic policy settings. (Note the existence of these announcements is in confidence until Wednesday.)
3. The Govt should be required to establish policies to meet carbon budgets and report on their progress
4. A new independent Crown Entity should be created as an expert body to provide objective advice – not clear how much of MfE's current role this envisages, or whether there is a gap in the existing functions.
5. The Adaptation Working Group should look at the UK's approach to climate risk disclosure by reinsurers (noting recent media interest generated by Mark Carney and Michael Bloomberg - some info here: <https://www.fsb-tcfd.org/>).

There is no requirement for the Govt to make a formal response addressing each of the recs. I understand the report will stay high-level and outline an ideal future state, rather than proposing any essential/no-regrets steps or sequencing how the policy area should evolve.

Ben

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